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THE ABRIDGMENT.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES

TO THE

TWO HOUSES OF CONGRESS

AT THE BEGINNING OF THE

FIRST SESSION OF THE FIFTY-SIXTH CONGRESS,

WITH THE

REPORTS OF THE HEADS OF DEPARTMENTS

AND

SELECTIONS FROM ACCOMPANYING REPORTS.

IN TWO VOLUMES.

VOLUME I.

WASHINGTON:
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PREFACE.

This work is authorized by section 76 of the act of January 12, 1895, and is compiled and edited under the direction of the Joint Committee on Printing.

In compliance with the general wish this abridgment has been reduced to two volumes; but the reports of the various heads of Departments have been edited in such a manner that it is believed the original intention in regard to the edition has been preserved—that of furnishing a condensed yet comprehensive review of the more important matters treated of in the papers. A slight departure from the method of arranging reports in preceding abridgments has been observed in this work. Volume 1 comprises the message of the President, the reports of the Secretary of the Treasury, the Secretary of the Interior, the Postmaster-General, and the Secretary of Agriculture. On account of the universal interest in Army and Navy matters and the importance of the military operations in the Philippine Islands, the reports of the Secretary of War and the Secretary of the Navy, with the accompanying reports attached thereto, have been embraced complete in volume 2.

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MESSAGE.

To the Senate and House of Representatives:

At the threshold of your deliberations you are called to mourn with your countrymen the death of Vice-President Hobart, who passed from this life on the morning of November 21st last. His great soul now rests in eternal peace. His private life was pure and elevated, while his public career was ever distinguished by large capacity, stainless integrity, and exalted motives. He has been removed from the high office which he honored and dignified, but his lofty character, his devotion to duty, his honesty of purpose, and noble virtues remain with us as a priceless legacy and example.

The Fifty-sixth Congress convenes in its first regular session with the country in a condition of unusual prosperity, of universal good will among the people at home, and in relations of peace and friendship with every government of the world. Our foreign commerce has shown great increase in volume and value. The combined imports and exports for the year are the largest ever shown by a single year in all our history. Our imports and exports for 1899 exceeded by more than a billion dollars our imports and exports in 1870; and our exports for 1899 alone exceeded the combined imports and exports of 1870 by about four hundred million dollars. The imports per capita are 20 per cent less than in 1870, while the exports per capita are 58 per cent more than in 1870, showing the enlarged capacity of the United States to satisfy the wants of its own increasing population, as well as to contribute to those of the peoples of other nations.

Exports of agricultural products were $784,776,142. Of manufactured products we exported in value $339,592,146, being larger than any previous year. It is a noteworthy fact that the only years in all our history when the products of our manufactories sold abroad exceeded those bought abroad were 1898 and 1899.

Government receipts from all sources for the fiscal year ended June 30, 1899, including $11,798,314.14, part payment of the Central Pacific Railroad indebtedness, aggregated $610,982,004.35.

Customs receipts were $206,128,481.75, and those from internal revenue $273,437,161.51.

For the fiscal year the expenditures were $700,093,564.02, leaving a deficit of $89,111,559.67.

The Secretary of the Treasury estimates that the receipts for the current fiscal year will aggregate $640,958,112, and upon the basis of present appropriations the expenditures will aggregate $600,958,112, leaving a surplus of $40,000,000.

For the fiscal year ended June 30, 1899, the internal-revenue receipts were increased about $100,000,000.

The present gratifying strength of the Treasury is shown by the fact that on December 1, 1899, the available cash balance was $278,004,837.72, of which $239,744,995.36 was in gold coin and bullion. The conditions of confidence which prevail throughout the country have brought gold into more general use and customs receipts are now almost entirely paid in that coin.

The strong position of the Treasury with respect to cash on hand and the favorable showing made by the revenues have made it possible for the Secretary of the Treasury to take action under the provisions of section 3694, Revised Statutes, relating to the sinking fund. Receipts exceeded expenditures for the first five months of the current fiscal year by $13,413,389.91, and, as mentioned above, the Secretary of the Treasury estimates that there will be a surplus of approximately $40,000,000 at the end of the year. Under such conditions it was deemed advisable and proper to resume compliance with the provisions of the sinking-fund law, which for eight years has not been done because of deficiencies in the revenues. The Treasury Department therefore offered to purchase during November $25,000,000 of the 5 per cent loan of 1904, or the 4 per cent funded loan of 1907, at the current market price. The amount offered and purchased during November was $18,408,600. The premium paid by the Government on such purchases was $2,263,521 and the net saving in interest was about $2,885,000. The success of this operation was sufficient to induce the Government to continue the offer to purchase bonds to and including the 23d day of December, instant, unless the remainder of the $25,000,000 called for should be presented in the meantime for redemption.

Increased activity in industry, with its welcome attendant—a larger employment for labor at higher wages—gives to the body of the people a larger power to absorb the circulating medium. It is further true that year by year, with larger areas of land under cultivation, the increasing volume of agricultural products, cotton, corn,

and wheat, calls for a larger volume of money supply. This is especially noticeable at the crop-harvesting and crop-moving period.

In its earlier history the National Banking Act seemed to prove a reasonable avenue through which needful additions to the circulation could from time to time be made. Changing conditions have apparently rendered it now inoperative to that end. The high margin in bond securities required, resulting from large premiums which Government bonds command in the market, or the tax on note issues, or both operating together, appear to be the influences which impair its public utility.

The attention of Congress is respectfully invited to this important matter with the view of ascertaining whether or not such reasonable modifications can be made in the National Banking Act as will render its service in the particulars here referred to more responsive to the people's needs. I again urge that national banks be authorized to organize with a capital of $25,000.

I urgently recommend that to support the existing gold standard, and to maintain "the parity in value of the coins of the two metals (gold and silver) and the equal power of every dollar at all times in the market and in the payment of debts," the Secretary of the Treasury be given additional power and charged with the duty to sell United States bonds and to employ such other effective means as may be necessary to these ends. The authority should include the power to sell bonds on long and short time, as conditions may require, and should provide for a rate of interest lower than that fixed by the act of January 14, 1875. While there is now no commercial fright which withdraws gold from the Government, but, on the contrary, such widespread confidence that gold seeks the Treasury demanding paper money in exchange, yet the very situation points to the present as the most fitting time to make adequate provision to insure the continuance of the gold standard and of public confidence in the ability and purpose of the Government to meet all its obligations in the money which the civilized world recognizes as the best. The financial transactions of the Government are conducted upon a gold basis. We receive gold when we sell United States bonds and use gold for their payment. We are maintaining the parity of all the money issued or coined by authority of the Government. We are doing these things with the means at hand. Happily at the present time we are not compelled to resort to loans to supply gold. It has been done in the past, however, and may have to be done in the future. It behooves us, therefore, to provide at once the best means to meet the emergency when it arises, and the best means are those which are the most

certain and economical. Those now authorized have the virtue neither of directness nor economy. We have already eliminated one of the causes of our financial plight and embarrassment during the years 1893, 1894, 1895, and 1896. Our receipts now equal our expenditures; deficient revenues no longer create alarm. Let us remove the only remaining cause by conferring the full and necessary power on the Secretary of the Treasury and impose upon him the duty to uphold the present gold standard and preserve the coins of the two metals on a parity with each other, which is the repeatedly declared policy of the United States.

In this connection I repeat my former recommendations that a portion of the gold holdings shall be placed in a trust fund from which greenbacks shall be redeemed upon presentation, but when once redeemed shall not thereafter be paid out except for gold.

The value of an American merchant marine to the extension of our commercial trade and the strengthening of our power upon the sea invites the immediate action of the Congress. Our national development will be one-sided and unsatisfactory so long as the remarkable growth of our inland industries remains unaccompanied by progress on the seas. There is no lack of constitutional authority for legislation which shall give to the country maritime strength commensurate with its industrial achievements and with its rank among the nations of the earth.

The past year has recorded exceptional activity in our shipyards, and the promises of continual prosperity in shipbuilding are abundant. Advanced legislation for the protection of our seamen has been enacted. Our coast trade, under regulations wisely framed at the beginning of the Government and since, shows results for the past fiscal year unequaled in our records or those of any other power. We shall fail to realize our opportunities, however, if we complacently regard only matters at home and blind ourselves to the necessity of securing our share in the valuable carrying trade of the world.

Last year American vessels transported a smaller share of our exports and imports than during any former year in all our history, and the measure of our dependence upon foreign shipping was painfully manifested to our people. Without any choice of our own, but from necessity, the Departments of the Government charged with military and naval operations in the East and West Indies had to obtain from foreign flags merchant vessels essential for those operations.

The other great nations have not hesitated to adopt the required

means to develop their shipping as a factor in national defense and as one of the surest and speediest means of obtaining for their producers a share in foreign markets. Like vigilance and effort on our part can not fail to improve our situation, which is regarded with humiliation at home and with surprise abroad. Even the seeming sacrifices, which at the beginning may be involved, will be offset later by more than equivalent gains.

The expense is as nothing compared to the advantage to be achieved. The re-establishment of our merchant marine involves in a large measure our continued industrial progress and the extension of our commercial triumphs. I am satisfied the judgment of the country favors the policy of aid to our merchant marine, which will broaden our commerce and markets and upbuild our sea-carrying capacity for the products of agriculture and manufacture; which, with the increase of our Navy, mean more work and wages to our countrymen, as well as a safeguard to American interests in every part of the world.

Combinations of capital organized into trusts to control the conditions of trade among our citizens, to stifle competition, limit production, and determine the prices of products used and consumed by the people, are justly provoking public discussion, and should early claim the attention of the Congress.

The Industrial Commission, created by the act of the Congress of June 18, 1898, has been engaged in extended hearings upon the disputed questions involved in the subject of combinations in restraint of trade and competition. They have not yet completed their investigation of this subject, and the conclusions and recommendations at which they may arrive are undetermined.

The subject is one giving rise to many divergent views as to the nature and variety or cause and extent of the injuries to the public which may result from large combinations concentrating more or less numerous enterprises and establishments, which previously to the formation of the combination were carried on separately.

It is universally conceded that combinations which engross or control the market of any particular kind of merchandise or commodity necessary to the general community, by suppressing natural and ordinary competition, whereby prices are unduly enhanced to the general consumer, are obnoxious not only to the common law but also to the public welfare. There must be a remedy for the evils involved in such organizations. If the present law can be extended more certainly to control or check these monopolies or trusts, it should be done without delay. Whatever power the Con-

gress possesses over this most important subject should be promptly ascertained and asserted.

President Harrison in his Annual Message of December 3, 1889, says:

"Earnest attention should be given by Congress to a consideration of the question how far the restraint of those combinations of capital commonly called 'trusts' is matter of Federal jurisdiction. When organized, as they often are, to crush out all healthy competition and to monopolize the production or sale of an article of commerce and general necessity they are dangerous conspiracies against the public good, and should be made the subject of prohibitory and even penal legislation."

An act to protect trade and commerce against unlawful restraints and monopolies was passed by Congress on the 2d of July, 1890. The provisions of this statute are comprehensive and stringent. It declares every contract or combination, in the form of a trust or otherwise, or conspiracy in the restraint of trade or commerce among the several States or with foreign nations, to be unlawful. It denominates as a criminal every person who makes any such contract or engages in any such combination or conspiracy, and provides a punishment by fine or imprisonment. It invests the several circuit courts of the United States with jurisdiction to prevent and restrain violations of the act, and makes it the duty of the several United States district attorneys, under the direction of the Attorney-General, to institute proceedings in equity to prevent and restrain such violations. It further confers upon any person who shall be injured in his business or property by any other person or corporation by reason of anything forbidden or declared to be unlawful by the act the power to sue therefor in any circuit court of the United States without respect to the amount in controversy, and to recover threefold the damages by him sustained and the costs of the suit, including reasonable attorney fees. It will be perceived that the act is aimed at every kind of combination in the nature of a trust or monopoly in restraint of interstate or international commerce.

The prosecution by the United States of offenses under the act of 1890 has been frequently resorted to in the Federal courts, and notable efforts in the restraint of interstate commerce, such as the Trans-Missouri Freight Association and the Joint Traffic Association, have been successfully opposed and suppressed.

President Cleveland in his Annual Message of December 7, 1896—more than six years subsequent to the enactment of this law—after stating the evils of these trust combinations, says:

"Though Congress has attempted to deal with this matter by legislation, the laws passed for that purpose thus far have proved

ineffective, not because of any lack of disposition or attempt to enforce them, but simply because the laws themselves as interpreted by the courts do not reach the difficulty. If the insufficiencies of existing laws can be remedied by further legislation, it should be done. The fact must be recognized, however, that all Federal legislation on this subject may fall short of its purpose because of inherent obstacles, and also because of the complex character of our governmental system, which, while making the Federal authority supreme within its sphere, has carefully limited that sphere by metes and bounds which can not be transgressed. The decision of our highest court on this precise question renders it quite doubtful whether the evils of trusts and monopolies can be adequately treated through Federal action, unless they seek directly and purposely to include in their objects transportation or intercourse between States or between the United States and foreign countries.

"It does not follow, however, that this is the limit of the remedy that may be applied. Even though it may be found that Federal authority is not broad enough to fully reach the case, there can be no doubt of the power of the several States to act effectively in the premises, and there should be no reason to doubt their willingness to judiciously exercise such power."

The State legislation to which President Cleveland looked for relief from the evils of trusts has failed to accomplish fully that object. This is probably due to a great extent to the fact that different States take different views as to the proper way to discriminate between evil and injurious combinations and those associations which are beneficial and necessary to the business prosperity of the country. The great diversity of treatment in different States arising from this cause and the intimate relations of all parts of the country to each other without regarding State lines in the conduct of business have made the enforcement of State laws difficult.

It is apparent that uniformity of legislation upon this subject in the several States is much to be desired. It is to be hoped that such uniformity founded in a wise and just discrimination between what is injurious and what is useful and necessary in business operations may be obtained and that means may be found for the Congress within the limitations of its constitutional power so to supplement an effective code of State legislation as to make a complete system of laws throughout the United States adequate to compel a general observance of the salutary rules to which I have referred.

The whole question is so important and far-reaching that I am sure no part of it will be lightly considered, but every phase of it will have the studied deliberation of the Congress, resulting in wise and judicious action.

A review of our relations with foreign States is presented with such recommendations as are deemed appropriate.

The long-pending boundary dispute between the Argentine Republic and Chile was settled in March last by the award of an arbitral commission, on which the United States minister at Buenos Ayres served as umpire.

Progress has been made toward the conclusion of a convention of extradition with the Argentine Republic. Having been advised and consented to by the United States Senate and ratified by Argentina, it only awaits the adjustment of some slight changes in the text before exchange.

In my last Annual Message I adverted to the claim of the Austro-Hungarian Government for indemnity for the killing of certain Austrian and Hungarian subjects by the authorities of the State of Pennsylvania, at Lattimer, while suppressing an unlawful tumult of miners, September 10, 1897. In view of the verdict of acquittal rendered by the court before which the sheriff and his deputies were tried for murder, and following the established doctrine that the Government may not be held accountable for injuries suffered by individuals at the hands of the public authorities while acting in the line of duty in suppressing disturbance of the public peace, this Government, after due consideration of the claim advanced by the Austro-Hungarian Government, was constrained to decline liability to indemnify the sufferers.

It is gratifying to be able to announce that the Belgian Government has mitigated the restrictions on the importation of cattle from the United States, to which I referred in my last Annual Message.

Having been invited by Belgium to participate in a congress, held at Brussels, to revise the provisions of the general act of July 2, 1890, for the repression of the African slave trade, to which the United States was a signatory party, this Government preferred not to be represented by a plenipotentiary, but reserved the right of accession to the result. Notable changes were made, those especially concerning this country being in the line of the increased restriction of the deleterious trade in spirituous liquors with the native tribes, which this Government has from the outset urgently advocated. The amended general act will be laid before the Senate, with a view to its advice and consent.

Early in the year the peace of Bolivia was disturbed by a suc-

cessful insurrection. The United States minister remained at his post, attending to the American interests in that quarter, and using besides his good offices for the protection of the interests of British subjects in the absence of their national representative. On the establishment of the new Government our minister was directed to enter into relations therewith.

General Pando was elected President of Bolivia on October 23d.

Our representative has been instructed to use all permissible friendly endeavors to induce the Government of Bolivia to amend its marriage laws so as to give legal status to the non-Catholic and civil marriages of aliens within its jurisdiction, and strong hopes are entertained that the Bolivian law in this regard will be brought, as was that of Peru some years ago, into harmony with the general practice of modern states.

A convention of extradition with Brazil, signed May 14, 1897, has been ratified by the Brazilian Legislature.

During the past summer two national ships of the United States have visited Brazilian ports on a friendly mission and been cordially received. The voyage of the *Wilmington* up the Amazon River gave rise to a passing misunderstanding, owing to confusion in obtaining permission to visit the interior and make surveys in the general interest of navigation, but the incident found a ready adjustment in harmony with the close relations of amity which this Government has always sedulously sought to cultivate with the commonwealths of the Western Continent.

The claim growing out of the seizure of the American-owned newspaper The Panama Star and Herald by the authorities of Colombia has been settled, after a controversy of several years, by an agreement assessing at $30,000 the indemnity to be paid by the Colombian Government, in three installments of $10,000 each.

The good will of Colombia toward our country has been testified anew by the cordial extension of facilities to the Nicaraguan Canal Commission in their approaching investigation of the Panama Canal and other projected routes across the Isthmus of Darien.

Toward the end of October an insurrectionary disturbance developed in the Colombian Republic. This movement has thus far not attained any decisive result and is still in progress.

Discussion of the questions raised by the action of Denmark in imposing restrictions on the importation of American meats has continued without substantial result in our favor.

The neighboring island Republic of Santo Domingo has lately been the scene of revolution, following a long period of tranquillity. It began with the killing of President Heureaux in July last, and culminated in the relinquishment by the succeeding vice-president of the reins of government to the insurgents. The first act of the provisional government was the calling of a presidential and constituent election. Juan Isidro Jimenez, having been elected President, was inaugurated on the 14th of November. Relations have been entered into with the newly established Government.

The experimental association of Nicaragua, Honduras, and Salvador, under the title of the Greater Republic of Central America, when apparently on the threshold of a complete federal organization by the adoption of a constitution and the formation of a national legislature, was disrupted in the last days of November, 1898, by the withdrawal of Salvador. Thereupon Nicaragua and Honduras abandoned the joint compact, each resuming its former independent sovereignty. This was followed by the reception of Minister Merry by the Republics of Nicaragua and Salvador, while Minister Hunter in turn presented his credentials to the Government of Honduras, thus reverting to the old distribution of the diplomatic agencies of the United States in Central America for which our existing statutes provide. A Nicaraguan envoy has been accredited to the United States.

An insurrectionary movement, under General Reyes, broke out at Bluefields in February last, and for a time exercised actual control in the Mosquito Territory. The *Detroit* was promptly sent thither for the protection of American interests. After a few weeks the Reyes government renounced the conflict, giving place to the restored supremacy of Nicaragua. During the interregnum certain public dues accruing under Nicaraguan law were collected from American merchants by the authorities for the time being in effective administrative control. Upon the titular government regaining power a second payment of these dues was demanded. Controversy arose touching the validity of the original payment of the debt to the *de facto* regent of the territory. An arrangement was effected in April last by the United States minister and the foreign secretary of Nicaragua whereby the amounts of the duplicate payments were deposited with the British consul pending an adjustment of the matter by direct agreement between the Governments of the United States and Nicaragua. The controversy is still unsettled.

The contract of the Maritime Canal Company of Nicaragua was declared forfeited by the Nicaraguan Government on the 10th of October, on the ground of nonfulfillment within the ten years' term stipulated in the contract. The Maritime Canal Company has lodged a protest against this action, alleging rights in the premises which appear worthy of consideration. This Government expects that Nicaragua will afford the protestants a full and fair hearing upon the merits of the case.

The Nicaragua Canal Commission, which had been engaged upon the work of examination and survey for a ship-canal route across Nicaragua, having completed its labors and made its report, was dissolved on May 31, and on June 10 a new commission, known as the Isthmian Canal Commission, was organized under the terms of the act approved March 3, 1899, for the purpose of examining the American Isthmus with a view to determining the most practicable and feasible route for a ship canal across that Isthmus, with its probable cost, and other essential details.

This Commission, under the presidency of Rear-Admiral John G. Walker, U. S. N. (retired), entered promptly upon the work intrusted to it, and is now carrying on examinations in Nicaragua along the route of the Panama Canal, and in Darien from the Atlantic, in the neighborhood of the Atrato River, to the Bay of Panama, on the Pacific side. Good progress has been made, but under the law a comprehensive and complete investigation is called for, which will require much labor and considerable time for its accomplishment. The work will be prosecuted as expeditiously as possible and a report made at the earliest practicable date.

The great importance of this work can not be too often or too strongly pressed upon the attention of the Congress. In my Message of a year ago I expressed my views of the necessity of a canal which would link the two great oceans, to which I again invite your consideration. The reasons then presented for early action are even stronger now.

A pleasing incident in the relations of this Government with that of Chile occurred in the generous assistance given to the war ship *Newark* when in distress in Chilean waters. Not alone in this way has the friendly disposition of Chile found expression. That country has acceded to the convention for the establishment of the Bureau of the American Republics, in which organization every independent State of the continent now shares.

The exchange of ratifications of a convention for the revival of the United States and Chilean Claims Commission and for the

adjudication of claims heretofore presented but not determined during the life of the previous Commission has been delayed by reason of the necessity for fresh action by the Chilean Senate upon the amendments attached to the ratification of the treaty by the United States Senate. This formality is soon to be accomplished.

In view of disturbances in the populous provinces of northern China, where are many of our citizens, and of the imminence of disorder near the capital and toward the seaboard, a guard of marines was landed from the *Boston* and stationed during last winter in the legation compound at Peking. With the restoration of order this protection was withdrawn.

The interests of our citizens in that vast Empire have not been neglected during the past year. Adequate protection has been secured for our missionaries and some injuries to their property have been redressed.

American capital has sought and found various opportunities of competing to carry out the internal improvements which the Imperial Government is wisely encouraging, and to develop the natural resources of the Empire. Our trade with China has continued to grow, and our commercial rights under existing treaties have been everywhere maintained during the past year, as they will be in the future.

The extension of the area open to international foreign settlement at Shanghai and the opening of the ports of Nanking, Tsing-tao (Kiao chao), and Ta-lien-wan to foreign trade and settlement will doubtless afford American enterprise additional facilities and new fields, of which it will not be slow to take advantage.

In my Message to Congress of December 5, 1898, I urged that the recommendation which had been made to the Speaker of the House of Representatives by the Secretary of the Treasury on the 14th of June, 1898, for an appropriation for a commission to study the commercial and industrial conditions in the Chinese Empire and report as to the opportunities for, and obstacles to, the enlargement of markets in China for the raw products and manufactures of the United States, should receive at your hands the consideration which its importance and timeliness merited, but the Congress failed to take action.

I now renew this recommendation, as the importance of the subject has steadily grown since it was first submitted to you, and no time should be lost in studying for ourselves the resources of this great field for American trade and enterprise.

The death of President Faure in February last called forth those sincere expressions of sympathy which befit the relations of two Republics as closely allied by unbroken historic ties as are the United States and France.

Preparations for the representation of the industries, arts, and products of the United States at the World's Exposition to be held in Paris next year continue on an elaborate and comprehensive scale, thanks to the generous appropriation provided by Congress and to the friendly interest the French Government has shown in furthering a typical exhibit of American progress.

There has been allotted to the United States a considerable addition of space, which, while placing our country in the first rank among exhibitors, does not suffice to meet the increasingly urgent demands of our manufacturers. The efforts of the Commissioner-General are ably directed toward a strictly representative display of all that most characteristically marks American achievement in the inventive arts, and most adequately shows the excellence of our natural productions.

In this age of keen rivalry among nations for mastery in commerce, the doctrine of evolution and the rule of the survival of the fittest must be as inexorable in their operation as they are positive in the results they bring about. The place won in the struggle by an industrial people can only be held by unrelaxed endeavor and constant advance in achievement. The present extraordinary impetus in every line of American exportation and the astounding increase in the volume and value of our share in the world's markets may not be attributed to accidental conditions.

The reasons are not far to seek. They lie deep in our national character and find expression year by year in every branch of handicraft, in every new device whereby the materials we so abundantly produce are subdued to the artisan's will and made to yield the largest, most practical, and most beneficial return. The American exhibit at Paris should, and I am confident will, be an open volume, whose lessons of skillfully directed endeavor, unfaltering energy, and consummate performance may be read by all on every page, thus spreading abroad a clearer knowledge of the worth of our productions and the justice of our claim to an important place in the marts of the world. To accomplish this by judicious selection, by recognition of paramount merit in whatever walk of trade or manufacture it may appear, and by orderly classification and attractive installation is the task of our Commission.

The United States Government building is approaching completion, and no effort will be spared to make it worthy, in beauty of archi-

tectural plan and in completeness of display, to represent our nation. It has been suggested that a permanent building of similar or appropriate design be erected on a convenient site, already given by the municipality, near the Exposition grounds, to serve in commemoration of the part taken by this country in this great enterprise, as an American National Institute, for our countrymen resorting to Paris for study.

I am informed by our Commissioner-General that we shall have in the American sections at Paris over 7,000 exhibitors, from every State in our country, a number ten times as great as those which were represented at Vienna in 1873, six times as many as those in Paris in 1878, and four times as many as those who exhibited in Paris in 1889. This statement does not include the exhibits from either Cuba, Porto Rico, or Hawaii, for which arrangements have been made.

A number of important international congresses on special topics affecting public interests are proposed to be held in Paris next summer in connection with the Exposition. Effort will be made to have the several technical branches of our administration efficiently represented at those conferences, each in its special line, and to procure the largest possible concourse of State representatives, particularly at the Congresses of Public Charity and of Medicine.

Our relations with Germany continue to be most cordial. The increasing intimacy of direct association has been marked during the year by the granting permission in April for the landing on our shores of a cable from Borkum Emden, on the North Sea, by way of the Azores, and also by the conclusion on September 2d of a Parcels Post Convention with the German Empire. In all that promises closer relations of intercourse and commerce and a better understanding between two races having so many traits in common, Germany can be assured of the most cordial cooperation of this Government and people. We may be rivals in many material paths, but our rivalry should be generous and open, ever aiming toward the attainment of larger results and the mutually beneficial advancement of each in the line of its especial adaptabilities.

The several governments of the Empire seem reluctant to admit the natural excellence of our food productions and to accept the evidence we constantly tender of the care with which their purity is guarded by rigid inspection from the farm, through the slaughter-house and the packing establishments, to the port of shipment. Our system of control over exported food staples invites examination from any quarter and challenges respect by its efficient thoroughness.

It is to be hoped that in time the two Governments will act in common accord toward the realization of their common purpose to safeguard the public health and to insure the purity and wholesomeness of all food products imported by either country from the other. Were the Congress to authorize an invitation to Germany, in connection with the pending reciprocity negotiations, for the constitution of a joint commission of scientific experts and practical men of affairs to conduct a searching investigation of food production and exportation in both countries and report to their respective legislatures for the adoption of such remedial measures as they might recommend for either, the way might be opened for the desirable result indicated.

Efforts to obtain for American life insurance companies a full hearing as to their business operations in Prussia have, after several years of patient representation, happily succeeded, and one of the most important American companies has been granted a concession to continue business in that Kingdom.

I am also glad to announce that the German insurance companies have been readmitted by the superintendent of insurance to do business in the State of New York.

Subsequent to the exchange of our peace treaty with Spain Germany acquired the Caroline Islands by purchase, paying therefor $5,000,000. Assurances have been received from the German Government that the rights of American missionaries and traders there will be considerately observed.

In my last Annual Message I referred to the pending negotiations with Great Britain in respect to the Dominion of Canada. By means of an executive agreement a Joint High Commission had been created for the purpose of adjusting all unsettled questions between the United States and Canada, embracing twelve subjects, among which were the questions of the fur seals, the fisheries of the coast and contiguous inland waters, the Alaskan boundary, the transit of merchandise in bond, the alien labor laws, mining rights, reciprocity in trade, revision of the agreement respecting naval vessels in the Great Lakes, a more complete marking of parts of the boundary, provision for the conveyance of criminals, and for wrecking and salvage.

Much progress had been made by the Commission toward the adjustment of many of these questions, when it became apparent that an irreconcilable difference of views was entertained respecting the delimitation of the Alaskan boundary. In the failure of an agreement as to the meaning of articles 3 and 4 of the treaty of 1825

between Russia and Great Britain, which defined the boundary between Alaska and Canada, the American Commissioners proposed that the subject of the boundary be laid aside and that the remaining questions of difference be proceeded with, some of which were so far advanced as to assure the probability of a settlement. This being declined by the British Commissioners, an adjournment was taken until the boundary should be adjusted by the two Governments. The subject has been receiving the careful attention which its importance demands, with the result that a *modus vivendi* for provisional demarcations in the region about the head of Lynn Canal has been agreed upon; and it is hoped that the negotiations now in progress between the two Governments will end in an agreement for the establishment and delimitation of a permanent boundary.

Apart from these questions growing out of our relationship with our northern neighbor, the most friendly disposition and ready agreement have marked the discussion of numerous matters arising in the vast and intimate intercourse of the United States with Great Britain.

This Government has maintained an attitude of neutrality in the unfortunate contest between Great Britain and the Boer States of Africa. We have remained faithful to the precept of avoiding entangling alliances as to affairs not of our direct concern. Had circumstances suggested that the parties to the quarrel would have welcomed any kindly expression of the hope of the American people that war might be averted, good offices would have been gladly tendered. The United States representative at Pretoria was early instructed to see that all neutral American interests be respected by the combatants. This has been an easy task in view of the positive declarations of both British and Boer authorities that the personal and property rights of our citizens should be observed.

Upon the withdrawal of the British agent from Pretoria the United States consul was authorized, upon the request of the British Government and with the assent of the South African and Orange Free State Governments, to exercise the customary good offices of a neutral for the care of British interests. In the discharge of this function I am happy to say that abundant opportunity has been afforded to show the impartiality of this Government toward both the combatants.

For the fourth time in the present decade question has arisen with the Government of Italy in regard to the lynching of Italian subjects. The latest of these deplorable events occurred at Tallulah, Louisiana, whereby five unfortunates of Italian origin were taken from jail and hanged.

The authorities of the State and a representative of the Italian Embassy having separately investigated the occurrence, with discrepant results, particularly as to the alleged citizenship of the victims, and it not appearing that the State had been able to discover and punish the violators of the law, an independent investigation has been set on foot, through the agency of the Department of State, and is still in progress. The result will enable the Executive to treat the question with the Government of Italy in a spirit of fairness and justice. A satisfactory solution will doubtless be reached.

The recurrence of these distressing manifestations of blind mob fury directed at dependents or natives of a foreign country suggests that the contingency has arisen for action by Congress in the direction of conferring upon the Federal courts jurisdiction in this class of international cases where the ultimate responsibility of the Federal Government may be involved. The suggestion is not new. In his Annual Message of December 9, 1891, my predecessor, President Harrison, said:

"It would, I believe, be entirely competent for Congress to make offenses against the treaty rights of foreigners domiciled in the United States cognizable in the Federal courts. This has not, however, been done, and the Federal officers and courts have no power in such cases to intervene either for the protection of a foreign citizen or for the punishment of his slayers. It seems to me to follow, in this state of the law, that the officers of the State charged with police and judicial powers in such cases must, in the consideration of international questions growing out of such incidents, be regarded in such sense as Federal agents as to make this Government answerable for their acts in cases where it would be answerable if the United States had used its constitutional power to define and punish crimes against treaty rights."

A bill to provide for the punishment of violations of treaty rights of aliens was introduced in the Senate March 1, 1892, and reported favorably March 30. Having doubtless in view the language of that part of Article III of the treaty of February 26, 1871, between the United States and Italy, which stipulates that "The citizens of each of the high contracting parties shall receive, in the States and Territories of the other, most constant protection and security for their persons and property, and shall enjoy in this respect the same rights and privileges as are or shall be granted to the natives, on their submitting themselves to the conditions imposed upon the natives," the bill so introduced and reported provided that any act committed in any State or Territory of the United States in violation of the rights of a citizen or subject of a foreign country secured to such citizen or subject by treaty between the United

States and such foreign country and constituting a crime under the laws of the State or Territory shall constitute a like crime against the United States and be cognizable in the Federal courts. No action was taken by Congress in the matter.

I earnestly recommend that the subject be taken up anew and acted upon during the present session. The necessity for some such provision abundantly appears. Precedent for constituting a Federal jurisdiction in criminal cases where aliens are sufferers is rationally deducible from the existing statute, which gives to the district and circuit courts of the United States jurisdiction of civil suits brought by aliens where the amount involved exceeds a certain sum. If such jealous solicitude be shown for alien rights in cases of merely civil and pecuniary import, how much greater should be the public duty to take cognizance of matters affecting the life and the rights of aliens under the settled principles of international law no less than under treaty stipulation, in cases of such transcendent wrongdoing as mob murder, especially when experience has shown that local justice is too often helpless to punish the offenders.

After many years of endeavor on the part of this Government to that end the Italian Government has consented to enter into negotiations for a naturalization convention, having for one of its objects the regulation of the status of Italians (except those of an age for active military service) who, having been naturalized in the United States, may revisit Italy. It is hoped that with the mutually conciliatory spirit displayed a successful conclusion will be reached.

The treaty of commerce and navigation between the United States and Japan on November 22, 1894, took effect in accordance with the terms of its XIXth Article on the 17th of July last, simultaneously with the enforcement of like treaties with the other powers, except France, whose convention did not go into operation until August 4th, the United States being, however, granted up to that date all the privileges and rights accorded to French citizens under the old French treaty. By this notable conventional reform Japan's position as a fully independent sovereign power is assured, control being gained of taxation, customs revenues, judicial administration, coasting trade, and all other domestic functions of government, and foreign extraterritorial rights being renounced.

Comprehensive codes of civil and criminal procedure according to western methods, public instruction, patents and copyrights, municipal administration, including jurisdiction over the former foreign settlements, customs tariffs and procedure, public health, and other administrative measures have been proclaimed. The working

of the new system has given rise to no material complaints on the part of the American citizens or interests, a circumstance which attests the ripe consideration with which the change has been prepared.

Valuable assistance was rendered by the Japanese authorities to the United States transport ship *Morgan City* while stranded at Kobe. Permission has been granted to land and pasture army horses at Japanese ports of call on the way to the Philippine Islands. These kindly evidences of good will are highly appreciated.

The Japanese Government has shown a lively interest in the proposition of the Pacific Cable Company to add to its projected cable lines to Hawaii, Guam, and the Philippines a branch connection with the coast of Japan. It would be a gratifying consummation were the utility of the contemplated scheme enhanced by bringing Japan and the United States into direct telegraphic relation.

Without repeating the observations of my special Message of February 10, 1899, concerning the necessity of a cable to Manila, I respectfully invite attention to it.

I recommend that, in case the Congress should not take measures to bring about this result by direct action of the Government, the Postmaster-General be authorized to invite competitive bids for the establishment of a cable; the company making the best responsible bid to be awarded the contract; the successful company to give ample bonds to insure the completion of the work within a reasonable time.

The year has been marked by constant increase in the intimacy of our relations with Mexico and in the magnitude of mutually advantageous interchanges. This Government has omitted no opportunity to show its strong desire to develop and perpetuate the ties of cordiality now so long happily unbroken.

Following the termination on January 20, 1899, by Mexico of the convention of extradition of December 11, 1861, a new treaty more in accordance with the ascertained needs of both countries was signed February 22, 1899, and exchanged in the City of Mexico on the 22d of April last. Its operation thus far has been effective and satisfactory. A recent case has served to test the application of its IVth Article, which provides that neither party shall be bound to deliver up its own citizens, but that the executive authority of each shall have the power to deliver them up if in its discretion it be deemed proper to do so.

The extradition of Mrs. Mattie Rich, a citizen of the United States, charged with homicide committed in Mexico, was after mature con-

sideration directed by me in the conviction that the ends of justice would be thereby subserved. Similar action, on appropriate occasion, by the Mexican Executive will not only tend to accomplish the desire of both Governments that grave crimes go not unpunished, but also to repress lawlessness along the border of the two countries. The new treaty stipulates that neither Government shall assume jurisdiction in the punishment of crimes committed exclusively within the territory of the other. This will obviate in future the embarrassing controversies which have heretofore arisen through Mexico's assertion of a claim to try and punish an American citizen for an offense committed within the jurisdiction of the United States.

The International Water Boundary Commission, organized by the convention of March 1, 1889, for the adjustment of questions affecting the Rio Grande frontier, has not yet completed its labors. A further extension of its term for one year, until December 24, 1899, was effected by a convention signed December 2, 1898, and exchanged and proclaimed in February last.

An invitation extended to the President of Mexico to visit Chicago in October, on the occasion of laying the corner stone of the United States Government building in that city, was cordially accepted by him, with the necessary consent of the Mexican Congress, but the illness of a member of his family prevented his attendance. The Minister of Foreign Relations, however, came as the personal representative of President Diaz, and in that high character was duly honored.

Claims growing out of the seizure of American sealing vessels in Bering Sea have been under discussion with the Government of Russia for several years, with the recent happy result of an agreement to submit them to the decision of a single arbitrator. By this act Russia affords proof of her adherence to the beneficent principle of arbitration which her plenipotentiaries conspicuously favored at The Hague Disarmament Conference when it was advocated by the representatives of the United States.

A suggestion for a permanent exposition of our products and manufactures in Russia, although not yet fully shaped, has been so cordially welcomed by the Imperial Government that it may not inaptly take a fitting place in whatever legislation the Congress may adopt looking to enlargement of our commercial opportunities abroad.

Important events have occurred in the Samoan Islands. The election, according to the laws and customs of Samoa, of a succes-

sor to the late King, Malietoa Laupepa, developed a contest as to the validity of the result, which issue, by the terms of the General Act, was to be decided by the Chief Justice. Upon his rendering a judgment in favor of Malietoa Tanu, the rival chief, Mataafa, took up arms. The active intervention of American and British war ships became imperative to restore order, at the cost of sanguinary encounters. In this emergency a joint commission of representatives of the United States, Germany, and Great Britain was sent to Samoa to investigate the situation and provide a temporary remedy. By its active efforts a peaceful solution was reached for the time being, the kingship being abolished and a provisional government established. Recommendations unanimously made by the commission for a permanent adjustment of the Samoan question were taken under consideration by the three powers parties to the General Act. But the more they were examined the more evident it became that a radical change was necessary in the relations of the powers to Samoa.

The inconveniences and possible perils of the tripartite scheme of supervision and control in the Samoan group by powers having little interest in common in that quarter beyond commercial rivalry had been once more emphasized by the recent events. The suggested remedy of the Joint Commission, like the scheme it aimed to replace, amounted to what has been styled a *tridominium*, being the exercise of the functions of sovereignty by an unanimous agreement of three powers. The situation had become far more intricate and embarrassing from every point of view than it was when my predecessor, in 1894, summed up its perplexities and condemned the participation in it of the United States.

The arrangement under which Samoa was administered had proved impracticable and unacceptable to all the powers concerned. To withdraw from the agreement and abandon the islands to Germany and Great Britain would not be compatible with our interests in the archipelago. To relinquish our rights in the harbor of Pago Pago, the best anchorage in the Pacific, the occupancy of which had been leased to the United States in 1878 by the first foreign treaty ever concluded by Samoa, was not to be thought of either as regards the needs of our Navy or the interests of our growing commerce with the East. We could not have considered any proposition for the abrogation of the tripartite control which did not confirm us in all our rights and safeguard all our national interests in the islands.

Our views commended themselves to the other powers. A satisfactory arrangement was concluded between the Governments of Germany and of England, by virtue of which England retired from

Samoa in view of compensations in other directions, and both powers renounced in favor of the United States all their rights and claims over and in respect to that portion of the group lying to the east of the one hundred and seventy-first degree of west longitude, embracing the islands of Tutuila, Ofoo, Olosenga, and Manua. I transmit to the Senate, for its constitutional action thereon, a convention, which besides the provisions above mentioned also guarantees us the same privileges and conditions in respect to commerce and commercial vessels in all of the islands of Samoa as those possessed by Germany.

Claims have been preferred by white residents of Samoa on account of injuries alleged to have been suffered through the acts of the treaty Governments in putting down the late disturbances. A convention has been made between the three powers for the investigation and settlement of these claims by a neutral arbitrator, to which the attention of the Senate will be invited.

My Annual Message of last year was necessarily devoted in great part to a consideration of the Spanish war and of the results it wrought and the conditions it imposed for the future. I am gratified to announce that the treaty of peace has restored friendly relations between the two powers. Effect has been given to its most important provisions. The evacuation of Porto Rico having already been accomplished on the 18th of October, 1898, nothing remained necessary there but to continue the provisional military control of the island until the Congress should enact a suitable government for the ceded territory. Of the character and scope of the measures to that end I shall treat in another part of this Message.

The withdrawal of the authority of Spain from the island of Cuba was effected by the 1st of January, so that the full re-establishment of peace found the relinquished territory held by us in trust for the inhabitants, maintaining, under the direction of the Executive, such government and control therein as should conserve public order, restore the productive conditions of peace so long disturbed by the instability and disorder which prevailed for the greater part of the preceding three decades, and build up that tranquil development of the domestic state whereby alone can be realized the high purpose, as proclaimed in the joint resolution adopted by the Congress on the 19th of April, 1898, by which the United States disclaimed any disposition or intention to exercise sovereignty, jurisdiction, or control over Cuba, except for the pacification thereof, and asserted its determination when that was accomplished to leave the government and control of the island to its

people. The pledge contained in this resolution is of the highest honorable obligation and must be sacredly kept.

I believe that substantial progress has been made in this direction. All the administrative measures adopted in Cuba have aimed to fit it for a regenerated existence by enforcing the supremacy of law and justice; by placing wherever practicable the machinery of administration in the hands of the inhabitants; by instituting needed sanitary reforms; by spreading education; by fostering industry and trade; by inculcating public morality, and, in short, by taking every rational step to aid the Cuban people to attain to that plane of self-conscious respect and self-reliant unity which fits an enlightened community for self-government within its own sphere, while enabling it to fulfill all outward obligations.

This nation has assumed before the world a grave responsibility for the future good government of Cuba. We have accepted a trust the fulfillment of which calls for the sternest integrity of purpose and the exercise of the highest wisdom. The new Cuba yet to arise from the ashes of the past must needs be bound to us by ties of singular intimacy and strength if its enduring welfare is to be assured. Whether those ties shall be organic or conventional, the destinies of Cuba are in some rightful form and manner irrevocably linked with our own, but how and how far is for the future to determine in the ripeness of events. Whatever be the outcome, we must see to it that free Cuba be a reality, not a name, a perfect entity, not a hasty experiment bearing within itself the elements of failure. Our mission, to accomplish which we took up the wager of battle, is not to be fulfilled by turning adrift any loosely framed commonwealth to face the vicissitudes which too often attend weaker states whose natural wealth and abundant resources are offset by the incongruities of their political organization and the recurring occasions for internal rivalries to sap their strength and dissipate their energies. The greatest blessing which can come to Cuba is the restoration of her agricultural and industrial prosperity, which will give employment to idle men and re-establish the pursuits of peace. This is her chief and immediate need.

On the 19th of August last an order was made for the taking of the census in the island, to be completed on the 30th of November. By the treaty of peace the Spanish people on the island have until April 11, 1900, to elect whether they will remain citizens of Spain or become citizens of Cuba. Until then it can not be definitely ascertained who shall be entitled to participate in the formation of the government of Cuba. By that time the results of the census will have been tabulated and we shall proceed to provide for elec-

tions which will commit the municipal governments of the island to the officers elected by the people. The experience thus acquired will prove of great value in the formation of a representative convention of the people to draft a constitution and establish a general system of independent government for the island. In the meantime and so long as we exercise control over the island the products of Cuba should have a market in the United States on as good terms and with as favorable rates of duty as are given to the West India Islands under treaties of reciprocity which shall be made.

For the relief of the distressed in the island of Cuba the War Department has issued supplies to destitute persons through the officers of the Army, which have amounted to 5,493,000 rations, at a cost of $1,417,554.07.

To promote the disarmament of the Cuban volunteer army, and in the interest of public peace and the welfare of the people, the sum of $75 was paid to each Cuban soldier borne upon the authenticated rolls, on condition that he should deposit his arms with the authorities designated by the United States. The sum thus disbursed aggregated $2,547,750, which was paid from the emergency fund provided by the act of January 5, 1899, for that purpose.

Out of the Cuban island revenues during the six months ending June 30, 1899, $1,712,014.20 was expended for sanitation, $293,881.70 for charities and hospitals, and $88,944.03 for aid to the destitute.

Following the exchange of ratifications of the treaty of peace the two Governments accredited ministers to each other, Spain sending to Washington the Duke of Arcos, an eminent diplomatist, previously stationed in Mexico, while the United States transferred to Madrid Hon. Bellamy Storer, its minister at Brussels. This was followed by the respective appointment of consuls, thereby fully resuming the relations interrupted by the war. In addition to its consular representation in the United States, the Spanish Government has appointed consuls for Cuba, who have been provisionally recognized during the military administration of the affairs of that island.

Judicial intercourse between the courts of Cuba and Porto Rico and of Spain has been established, as provided by the treaty of peace. The Cuban political prisoners in Spanish penal stations have been and are being released and returned to their homes, in accordance with Article VI of the treaty. Negotiations are about to be had for defining the conventional relations between the two countries, which fell into abeyance by reason of the war. I trust that these will include a favorable arrangement for commercial reciprocity under the terms of sections 3 and 4 of the current tariff

act. In these, as in all matters of international concern, no effort will be spared to respond to the good disposition of Spain, and to cultivate in all practicable ways the intimacy which should prevail between two nations whose past history has so often and in so many ways been marked by sincere friendship and by community of interests.

I would recommend appropriate legislation in order to carry into execution Article VII of the Treaty of Peace with Spain, by which the United States assured the payment of certain claims for indemnity of its citizens against Spain.

The United States minister to Turkey continues, under instructions, to press for a money payment in satisfaction of the just claims for injuries suffered by American citizens in the disorders of several years past and for wrongs done to them by the Ottoman authorities. Some of these claims are of many years' standing. This Government is hopeful of a general agreement in this regard.

In the Turkish Empire the situation of our citizens remains unsatisfactory. Our efforts during nearly forty years to bring about a convention of naturalization seem to be on the brink of final failure through the announced policy of the Ottoman Porte to refuse recognition of the alien status of native Turkish subjects naturalized abroad since 1867. Our statutes do not allow this Government to admit any distinction between the treatment of native and naturalized Americans abroad, so that ceaseless controversy arises in cases where persons owing in the eye of international law a dual allegiance are prevented from entering Turkey or are expelled after entrance. Our law in this regard contrasts with that of the European States. The British act, for instance, does not claim effect for the naturalization of an alien in the event of his return to his native country, unless the change be recognized by the law of that country or stipulated by treaty between it and the naturalizing State.

The arbitrary treatment, in some instances, of American productions in Turkey has attracted attention of late, notably in regard to our flour. Large shipments by the recently opened direct steamship line to Turkish ports have been denied entrance on the score that, although of standard composition and unquestioned purity, the flour was pernicious to health because of deficient "elasticity," as indicated by antiquated and untrustworthy tests. Upon due protest by the American minister, and it appearing that the act was a virtual discrimination against our product, the shipments in question were admitted. In these, as in all instances, wherever occurring, when American products may be subjected in a foreign country, upon

specious pretexts, to discrimination compared with the like products of another country, this Government will use its earnest efforts to secure fair and equal treatment for its citizens and their goods. Failing this, it will not hesitate to apply whatever corrective may be provided by the statutes.

The International Commission of Arbitration, appointed under the Anglo-Venezuelan treaty of 1897, rendered an award on October 3d last, whereby the boundary line between Venezuela and British Guiana is determined, thus ending a controversy which has existed for the greater part of the century. The award, as to which the arbitrators were unanimous, while not meeting the extreme contention of either party, gives to Great Britain a large share of the interior territory in dispute and to Venezuela the entire mouth of the Orinoco, including Barima Point and the Caribbean littoral for some distance to the eastward. The decision appears to be equally satisfactory to both parties.

Venezuela has once more undergone a revolution. The insurgents, under General Castro, after a sanguinary engagement in which they suffered much loss, rallied in the mountainous interior and advanced toward the capital. The bulk of the army having sided with the movement, President Andrade quitted Caracas, where General Castro set up a provisional government with which our minister and the representatives of other powers entered into diplomatic relations on the 20th of November, 1899.

The fourth section of the Tariff Act approved July 24th, 1897, appears to provide only for commercial treaties which should be entered into by the President and also ratified by the Senate within two years from its passage. Owing to delays inevitable in negotiations of this nature, none of the treaties initiated under that section could be concluded in time for ratification by the Senate prior to its adjournment on the 4th of March last. Some of the pending negotiations, however, were near conclusion at that time, and the resulting conventions have since been signed by the plenipotentiaries. Others, within both the third and fourth sections of the act, are still under consideration. Acting under the constitutional power of the Executive in respect to treaties, I have deemed it my duty, while observing the limitations of concession provided by the fourth section, to bring to a conclusion all pending negotiations, and submit them to the Senate for its advice and consent.

Conventions of reciprocity have been signed during the Congressional recess with Great Britain for the respective colonies of British

Guiana, Barbados, Bermuda, Jamaica, and Turks and Caicos islands, and with the Republic of Nicaragua.

Important reciprocal conventions have also been concluded with France and with the Argentine Republic.

In my last Annual Message the progress noted in the work of the diplomatic and consular officers in collecting information as to the industries and commerce of other countries, and in the care and promptitude with which their reports are printed and distributed, has continued during the past year, with increasingly valuable results in suggesting new sources of demand for American products and in pointing out the obstacles still to be overcome in facilitating the remarkable expansion of our foreign trade. It will doubtless be gratifying to Congress to learn that the various agencies of the Department of State are co-operating in these endeavors with a zeal and effectiveness which are not only receiving the cordial recognition of our business interests, but are exciting the emulation of other governments. In any rearrangement of the great and complicated work of obtaining official data of an economic character which Congress may undertake it is most important, in my judgment, that the results already secured by the efforts of the Department of State should be carefully considered with a view to a judicious development and increased utility to our export trade.

The interest taken by the various States forming the International Union of American Republics in the work of its organic bureau is evidenced by the fact that for the first time since its creation in 1890 all the republics of South and Central America are now represented in it.

The unanimous recommendation of the International American Conference, providing for the International Union of American Republics, stated that it should continue in force during a term of ten years from the date of its organization, and no country becoming a member of the union should cease to be a member until the end of said period of ten years, and unless twelve months before the expiration of said period a majority of the members of the union had given to the Secretary of State of the United States official notice of their wish to terminate the union at the end of its first period, that the union should continue to be maintained for another period of ten years, and thereafter, under the same conditions, for successive periods of ten years each.

The period for notification expired on July 14, 1899, without any of the members having given the necessary notice of withdrawal.

Its maintenance is therefore assured for the next ten years. In view of this fact and of the numerous questions of general interest and common benefit to all of the republics of America, some of which were considered by the first International American Conference, but not finally settled, and others which have since then grown to importance, it would seem expedient that the various Republics constituting the Union should be invited to hold at an early date another conference in the capital of one of the countries other than the United States, which has already enjoyed this honor.

The purely international character of the work being done by the Bureau and the appreciation of its value are further emphasized by the active co-operation which the various governments of the Latin-American Republics and their diplomatic representatives in this capital are now exhibiting and the zealous endeavors they are making to extend its field of usefulness, to promote through it commercial intercourse, and strengthen the bonds of amity and confidence between its various members and the nations of this continent.

The act to encourage the holding of the Pan-American Exposition on the Niagara frontier, within the county of Erie or Niagara, in the State of New York, in the year 1901, was approved on March 3, 1899.

This Exposition, which will be held in the city of Buffalo, in the near vicinity of the great Niagara cataract, and within a day's journey of which reside 40,000,000 of our people, will be confined entirely to the Western Hemisphere. Satisfactory assurances have already been given by the diplomatic representatives of Great Britain, Mexico, the Central and South American republics, and most of the States of the United States that these countries and States will make an unique, interesting, and instructive exhibit, peculiarly illustrative of their material progress during the century which is about to close.

The law provides an appropriation of $50,000 for the purpose of making an exhibit at the Exposition by the Government of the United States from its Executive Departments and from the Smithsonian Institution and National Museum, the United States Commission of Fish and Fisheries, the Department of Labor, and the Bureau of the American Republics. To secure a complete and harmonious arrangement of this Government exhibit a board of management has already been created, and charged with the selection, purchase, preparation, transportation, arrangement, and safe-keeping of the articles and materials to be exhibited. This board has been organized and has already entered upon the performance of its duties, as provided for by the law.

I have every reason to hope and believe that this Exposition will tend more firmly to cement the cordial relations between the nations on this continent.

In accordance with an act of Congress approved December 21, 1898, and under the auspices of the Philadelphia Commercial Museum, a most interesting and valuable exposition of products and manufactures especially adapted to export trade was held in Philadelphia from the 14th of September to the 1st of December, 1899. The representative character of the exhibits and the widespread interest manifested in the special objects of the undertaking afford renewed encouragement to those who look confidently to the steady growth of our enlarged exportation of manufactured goods, which has been the most remarkable fact in the economic development of the United States in recent years. A feature of this exposition which is likely to become of permanent and increasing utility to our industries is the collection of samples of merchandise produced in various countries with special reference to particular markets, providing practical object lessons to United States manufacturers as to qualities, styles, and prices of goods such as meet the special demands of consumers and may be exported with advantage.

In connection with the Exposition an International Commercial Congress was held, upon the invitation of the Philadelphia Commercial Museum, transmitted by the Department of State to the various foreign governments, for an exchange of information and opinions with the view to the promotion of international trade. This invitation met with general and cordial acceptance, and the Congress, which began its sessions at the Exposition on the 13th of October, proved to be of great practical importance, from the fact that it developed a general recognition of the interdependence of nations in trade and a most gratifying spirit of accommodation with reference to the gradual removal of existing impediments to reciprocal relations, without injury to the industrial interests of either party.

In response to the invitation of His Majesty the Emperor of Russia, delegates from twenty-six countries were assembled at The Hague on the 18th of May, as members of a conference in the interest of peace. The commission from the United States consisted of the Hon. Andrew D. White, the Hon. Seth Low, the Hon. Stanford Newel, Captain Alfred T. Mahan, of the United States Navy, Captain William Crozier, of the United States Army, and the Hon. Frederick W. Holls, secretary. The occasion seemed to be opportune for the serious consideration of a plan for the pacific

adjustment of international differences, a subject in which the American people have been deeply interested for many years, and a definite project for a permanent international tribunal was included in the instructions to the delegates of the United States.

The final act of the conference includes conventions upon the amelioration of the laws and customs of war on land, the adaptation to maritime warfare of the principles of the Geneva Convention of 1864, and the extension of judicial methods to international cases. The Convention for the Pacific Settlement of International Conflicts embodies the leading features of the American plan, with such modifications as were rendered necessary by the great diversity of views and interests represented by the delegates. The four titles of the convention provide for the maintenance of general peace, the exercise of good offices and mediation, the formation of commissions of inquiry, and international arbitration.

The mediation provided for by the convention is purely voluntary and advisory, and is intended to avoid any invasion or limitation of the sovereign rights of the adhering states. The commissions of inquiry proposed consist of delegations to be specifically constituted for particular purposes by means of conventions between the contesting parties, having for their object the clear understanding of international differences before resorting to the use of force. The provision for arbitration contemplates the formation of a permanent tribunal before which disputed cases may be brought for settlement by the mutual consent of the litigants in each separate case. The advantages of such a permanent tribunal over impromptu commissions of arbitration are conceived to be the actual existence of a competent court, prepared to administer justice, the greater economy resulting from a well-devised system, and the accumulated judicial skill and experience which such a tribunal would soon possess.

While earnestly promoting the idea of establishing a permanent international tribunal, the delegation of the United States was not unmindful of the inconveniences which might arise from an obtrusive exercise of mediation, and in signing the convention carefully guarded the historic position of the United States by the following declaration:

"Nothing contained in this convention shall be so construed as to require the United States of America to depart from its traditional policy of not intruding upon, interfering with, or entangling itself in the political questions or policy or internal administration of any foreign state; nor shall anything contained in the said convention be construed to imply a relinquishment by the United States of America of its traditional attitude toward purely American questions."

Thus interpreted, the Convention for the Pacific Settlement of International Conflicts may be regarded as realizing the earnest desire of great numbers of American citizens, whose deep sense of justice, expressed in numerous resolutions and memorials, has urged them to labor for this noble achievement. The general character of this convention, already signed by the delegates of more than twenty sovereign states, further commends it to the favorable action of the Senate of the United States, whose ratification it still awaits.

Since my last Annual Message, and in obedience to the acts of the Congress of April 22 and 26, 1898, the remaining volunteer force enlisted for the Spanish war, consisting of 34,834 regulars and 110,202 volunteers, with over 5,000 volunteer officers, has been discharged from the military service. Of the volunteers, 667 officers and 14,831 men were serving in the Philippines, and 1,650 of the regulars, who were entitled to be mustered out after the ratification of the treaty of peace. They voluntarily remained at the front until their places could be filled by new troops. They were returned home in the order in which they went to Manila, and are now all of them out of the service and in the ranks of citizenship. I recommend that the Congress provide a special medal of honor for the volunteers, regulars, sailors, and marines on duty in the Philippines who voluntarily remained in the service after their terms of enlistment had expired.

By the act of March 2, 1899, Congress gave authority to increase the Regular Army to a maximum not exceeding 65,000 enlisted men, and to enlist a force of 35,000 volunteers, to be recruited from the country at large. By virtue of this authority the Regular Army has been increased to the number of 61,999 enlisted men and 2,248 officers, and new volunteer regiments have been organized aggregating 33,050 enlisted men and 1,524 officers. Two of these volunteer regiments are made up of colored men, with colored line officers. The new troops to take the places of those returning from the Philippines have been transported to Manila to the number of 581 officers and 26,322 enlisted men of the Regular Army and 594 officers and 15,388 enlisted men of the new volunteer force, while 504 officers and 14,119 men of the volunteer force are on the ocean en route to Manila.

The force now in Manila consists of 905 officers and 30,578 regulars, and 594 officers and 15,388 of the volunteers, making an aggregate of 1,499 officers and 45,966 men. When the troops now under orders shall reach Manila the force in the archipelago will comprise 2,051 officers and 63,483 men. The muster out of the great

volunteer army organized for the Spanish war and the creation of a new army, the transportation from Manila to San Francisco of those entitled to discharge, and the transportation of the new troops to take their places have been a work of great magnitude well and ably done, for which too much credit can not be given the War Department.

During the past year we have reduced our force in Cuba and Porto Rico. In Cuba we now have 334 officers and 10,796 enlisted men; in Porto Rico, 87 officers and 2,855 enlisted men and a battalion of 400 men composed of native Porto Ricans; while stationed throughout the United States are 910 officers and 17,317 men, and in Hawaii 12 officers and 453 enlisted men.

The operations of the Army are fully presented in the report of the Secretary of War. I can not withhold from officers and men the highest commendation for their soldierly conduct in trying situations, their willing sacrifices for their country, and the integrity and ability with which they have performed unusual and difficult duties in our island possessions.

In the organization of the volunteer regiments authorized by the act of March 2, 1899, it was found that no provision had been made for chaplains. This omission was doubtless from inadvertence. I recommend the early authorization for the appointment of one chaplain for each of said regiments. These regiments are now in the Philippines, and it is important that immediate action be had.

In restoring peaceful conditions, orderly rule, and civic progress in Cuba, Porto Rico, and, so far as practicable, in the Philippines, the rehabilitation of the postal service has been an essential and important part of the work. It became necessary to provide mail facilities both for our forces of occupation and for the native population. To meet this requirement has involved a substantial reconstruction. The existing systems were so fragmentary, defective, and inadequate that a new and comprehensive organization had to be created. American trained officials have been assigned to the directing and executive positions, while natives have been chiefly employed in making up the body of the force. In working out this plan the merit rule has been rigorously and faithfully applied.

The appointment of Director-General of Posts of Cuba was given to an expert who had been Chief Post-Office Inspector and Assistant Postmaster-General, and who united large experience with administrative capacity. For the postmastership at Havana the range of skilled and available men was scanned, and the choice fell upon one who had been twenty years in the service as deputy post-

master and postmaster of a large city. This principle governed and determined the selection of the American officials sent not only to Cuba, but to Porto Rico and the Philippines, and they were instructed to apply it so far as practicable in the employment of the natives as minor postmasters and clerks. The postal system in Cuba, though remaining under the general guidance of the Postmaster-General, was made essentially independent. It was felt that it should not be a burden upon the postal service of the United States, and provision was made that any deficit in the postal revenue should be a charge upon the general revenues of the island.

Though Porto Rico and the Philippines hold a different relation to the United States, yet, for convenience of administration, the same principle of an autonomous system has been extended to them. The development of the service in all of the islands has been rapid and successful. It has moved forward on American lines, with free delivery, money order, and registry systems, and has given the people mail facilities far greater and more reliable than any they have ever before enjoyed. It is thus not only a vital agency of industrial, social, and business progress, but an important influence in diffusing a just understanding of the true spirit and character of American administration.

The domestic postal service continues to grow with extraordinary rapidity. The expenditures and the revenues will each exceed $100,000,000 during the current year. Fortunately, since the revival of prosperous times the revenues have grown much faster than the expenditures, and there s every indication that a short period will witness the obliteration of the annual deficit. In this connection the report of the Postmaster-General embodies a statement of some evils which have grown up outside of the contemplation of law in the treatment of some classes of mail matter which wrongly exercise the privilege of the pound rate, and shows that if this matter had been properly classified and had paid the rate which it should have paid, instead of a postal deficit for the last fiscal year of $6,610,000, there would have been on one basis a surplus of $17,637,570, and on another of $5,733,836. The reform thus suggested, in the opinion of the Postmaster-General, would not only put the postal service at once on a self-sustaining basis, but would permit great and valuable improvements, and I commend the subject to the consideration of the Congress.

The Navy has maintained the spirit and high efficiency which have always characterized that service, and has lost none of the gallantry in heroic action which has signalized its brilliant and

glorious past. The Nation has equal pride in its early and later achievements. Its habitual readiness for every emergency has won the confidence and admiration of the country. The people are interested in the continued preparation and prestige of the Navy and will justify liberal appropriations for its maintenance and improvement. The officers have shown peculiar adaptation for the performance of new and delicate duties which our recent war has imposed.

It can not be doubted that Congress will at once make necessary provision for the armor plate for the vessels now under contract and building. Its attention is respectfully called to the report of the Secretary of the Navy, in which the subject is fully presented. I unite in his recommendation that the Congress enact such special legislation as may be necessary to enable the Department to make contracts early in the coming year for armor of the best quality that can be obtained in this country for the *Maine*, *Ohio*, and *Missouri*, and that the provision of the act of March 3, 1899, limiting the price of armor to $300 per ton be removed.

In the matter of naval construction Italy and Japan, of the great powers, laid down less tonnage in the year 1899 than this country, and Italy alone has less tonnage under construction. I heartily concur in the recommendations for the increase of the Navy, as suggested by the Secretary.

Our future progress and prosperity depend upon our ability to equal, if not surpass, other nations in the enlargement and advance of science, industry, and commerce. To invention we must turn as one of the most powerful aids to the accomplishment of such a result. The attention of the Congress is directed to the report of the Commissioner of Patents, in which will be found valuable suggestions and recommendations.

On the 30th of June, 1899, the pension roll of the United States numbered 991,519. These include the pensioners of the Army and Navy in all our wars. The number added to the rolls during the year was 40,991. The number dropped by reason of death, remarriage, minors by legal limitation, failure to claim within three years, and other causes, was 43,186, and the number of claims disallowed was 107,919. During the year 89,054 pension certificates were issued, of which 37,077 were for new or original pensions. The amount disbursed for army and navy pensions during the year was $138,355,052.95, which was $1,651,461.61 less than the sum of the appropriations.

The Grand Army of the Republic at its recent national encamp-

ment held in Philadelphia has brought to my attention and to that of the Congress the wisdom and justice of a modification of the third section of the act of June 27, 1890, which provides pensions for the widows of officers and enlisted men who served ninety days or more during the War of the Rebellion and were honorably discharged, provided that such widows are without other means of support than their daily labor and were married to the soldier, sailor, or marine on account of whose service they claim pension prior to the date of the act.

The present holding of the Department is that if the widow's income aside from her daily labor does not exceed in amount what her pension would be, to wit, $96 per annum, she would be deemed to be without other means of support than her daily labor, and would be entitled to a pension under this act; while if the widow's income independent of the amount received by her as the result of her daily labor exceeds $96, she would not be pensionable under the act. I am advised by the Commissioner of Pensions that the amount of the income allowed before title to pension would be barred has varied widely under different administrations of the Pension Office, as well as during different periods of the same administration, and has been the cause of just complaint and criticism.

With the approval of the Secretary of the Interior the Commissioner of Pensions recommends that, in order to make the practice at all times uniform and to do justice to the dependent widow, the amount of income allowed independent of the proceeds of her daily labor should be not less than $250 per annum, and he urges that the Congress shall so amend the act as to permit the Pension Office to grant pensionable status to widows under the terms of the third section of the act of June 27, 1890, whose income aside from the proceeds of daily labor is not in excess of $250 per annum. I believe this to be a simple act of justice and heartily recommend it.

The Dawes Commission reports that gratifying progress has been made in its work during the preceding year. The fieldwork of enrollment of four of the nations has been completed. I recommend that Congress at an early day make liberal appropriation for educational purposes in the Indian Territory.

In accordance with the act of Congress approved March 3, 1899, the preliminary work in connection with the Twelfth Census is now fully under way. The officers required for the proper administration of the duties imposed have been selected. The provision for securing a proper enumeration of the population, as well as to secure evidence of the industrial growth of the Nation, is broader and more comprehensive than any similar legislation in the past. The

Director advises that every needful effort is being made to push this great work to completion in the time limited by the statute. It is believed that the Twelfth Census will emphasize our remarkable advance in all that pertains to national progress.

Under the authority of the act of Congress approved July 7, 1898, the commission consisting of the Secretary of the Treasury, the Attorney-General, and the Secretary of the Interior has made an agreement of settlement, which has had my approval, of the indebtedness to the Government growing out of the issue of bonds to aid in the construction of the Central Pacific and Western Pacific railroads. The agreement secures to the Government the principal and interest of said bonds, amounting to $58,812,715.48. There has been paid thereon $11,762,543.12, which has been covered into the Treasury, and the remainder, payable within ten years, with interest at the rate of 3 per cent per annum, payable semiannually, is secured by the deposit of an equal amount of first-mortgage bonds of the Pacific Railway companies. The amounts paid and secured to be paid to the Government on account of the Pacific Railroad subsidy claims are:

Union Pacific, cash	$58,448,223.75
Kansas Pacific, cash	6,303,000.00
Central and Western Pacific, cash	11,798,314.14
Notes, secured	47,050,172.36
Kansas Pacific—dividends for deficiency due United States, cash	821,897.70
Making a total of	124,421,607.95

The whole indebtedness was about $130,000,000, more than half of which consisted of accrued interest, for which sum the Government has realized the entire amount less about $6,000,000 within a period of two years.

On June 30, 1898, there were thirty forest reservations (exclusive of the Afognak Forest and Fish Culture Reserve in Alaska), embracing an estimated area of 40,719,474 acres. During the past year two of the existing forest reserves, the Trabuco Canyon (California) and Black Hills (South Dakota and Wyoming) have been considerably enlarged, the area of the Mount Rainier Reserve, in the State of Washington, has been somewhat reduced, and six additional reserves have been established, namely, the San Francisco Mountains (Arizona), the Black Mesa (Arizona), Lake Tahoe (California), Gallatin (Montana), Gila River (New Mexico), and Fish Lake (Utah), the total estimated area of which is 5,205,775 acres. This makes at the present time a total of thirty-six forest reservations,

embracing an estimated area of 46,021,899 acres. This estimated area is the aggregated areas within the boundaries of the reserves. The lands actually reserved are, however, only the vacant public lands therein, and these have been set aside and reserved for sale or settlement in order that they may be of the greatest use to the people.

Protection of the national forests, inaugurated by the Department of the Interior in 1897, has been continued during the past year and much has been accomplished in the way of preventing forest fires and the protection of the timber. There are now large tracts covered by forests which will eventually be reserved and set apart for forest uses. Until that can be done Congress should increase the appropriations for the work of protecting the forests.

The Department of Agriculture is constantly consulting the needs of producers in all the States and Territories. It is introducing seeds and plants of great value and promoting fuller diversification of crops. Grains, grasses, fruits, legumes, and vegetables are imported for all parts of the United States. Under this encouragement the sugar-beet factory multiplies in the North and far West, semi-tropical plants are sent to the South, and congenial climates are sought for the choice productions of the far east. The hybridizing of fruit trees and grains is conducted in the search for varieties adapted to exacting conditions. The introduction of tea gardens into the Southern States promises to provide employment for idle hands, as well as to supply the home market with tea. The subject of irrigation where it is of vital importance to the people is being carefully studied, steps are being taken to reclaim injured or abandoned lands, and information for the people along these lines is being printed and distributed.

Markets are being sought and opened up for surplus farm and factory products in Europe and in Asia. The outlook for the education of the young farmer through agricultural college and experiment station, with opportunity given to specialize in the Department of Agriculture, is very promising. The people of Hawaii, Porto Rico, and the Philippine Islands should be helped, by the establishment of experiment stations, to a more scientific knowledge of the production of coffee, india rubber, and other tropical products, for which there is demand in the United States.

There is widespread interest in the improvement of our public highways at the present time, and the Department of Agriculture is co-operating with the people in each locality in making the best possible roads from local material and in experimenting with steel tracks. A more intelligent system of managing the forests of the

country is being put in operation and a careful study of the whole forestry problem is being conducted throughout the United States. A very extensive and complete exhibit of the agricultural and horticultural products of the United States is being prepared for the Paris Exposition.

On the 10th of December, 1898, the treaty of peace between the United States and Spain was signed. It provided, among other things, that Spain should cede to the United States the archipelago known as the Philippine Islands, that the United States should pay to Spain the sum of twenty millions of dollars, and that the civil rights and political status of the native inhabitants of the territories thus ceded to the United States should be determined by the Congress. The treaty was ratified by the Senate on the 6th of February, 1899, and by the Government of Spain on the 19th of March following. The ratifications were exchanged on the 11th of April and the treaty publicly proclaimed. On the 2d of March the Congress voted the sum contemplated by the treaty, and the amount was paid over to the Spanish Government on the 1st of May.

In this manner the Philippines came to the United States. The islands were ceded by the Government of Spain, which had been in undisputed possession of them for centuries. They were accepted not merely by our authorized commissioners in Paris, under the direction of the Executive, but by the constitutional and well-considered action of the representatives of the people of the United States in both Houses of Congress. I had every reason to believe, and I still believe, that this transfer of sovereignty was in accordance with the wishes and the aspirations of the great mass of the Filipino people.

From the earliest moment no opportunity was lost of assuring the people of the islands of our ardent desire for their welfare and of the intention of this Government to do everything possible to advance their interests. In my order of the 19th of May, 1898, the commander of the military expedition dispatched to the Philippines was instructed to declare that we came not to make war upon the people of that country, "nor upon any party or faction among them, but to protect them in their homes, in their employments, and in their personal and religious rights." That there should be no doubt as to the paramount authority there, on the 17th of August it was directed that "there must be no joint occupation with the insurgents;" that the United States must preserve the peace and protect persons and property within the territory occupied by their military and naval forces; that the insurgents and all others must

recognize the military occupation and authority of the United States. As early as December 4, before the cession, and in anticipation of that event, the commander in Manila was urged to restore peace and tranquillity and to undertake the establishment of a beneficent government, which should afford the fullest security for life and property.

On the 21st of December, after the treaty was signed, the commander of the forces of occupation was instructed "to announce and proclaim in the most public manner that we come, not as invaders and conquerors, but as friends to protect the natives in their homes, in their employments, and in their personal and religious rights." On the same day, while ordering General Otis to see that the peace should be preserved in Iloilo, he was admonished that: "It is most important that there should be no conflict with the insurgents." On the 1st day of January, 1899, urgent orders were reiterated that the kindly intentions of this Government should be in every possible way communicated to the insurgents.

On the 21st of January I announced my intention of dispatching to Manila a commission composed of three gentlemen of the highest character and distinction, thoroughly acquainted with the Orient, who, in association with Admiral Dewey and Major-General Otis, were instructed "to facilitate the most humane and effective extension of authority throughout the islands, and to secure with the least possible delay the benefits of a wise and generous protection of life and property to the inhabitants." These gentlemen were Dr. Jacob Gould Schurman, president of Cornell University; the Hon. Charles Denby, for many years minister to China, and Prof. Dean C. Worcester, of the University of Michigan, who had made a most careful study of life in the Philippines. While the treaty of peace was under consideration in the Senate these Commissioners set out on their mission of good will and liberation. Their character was a sufficient guaranty of the beneficent purpose with which they went, even if they had not borne the positive instructions of this Government, which made their errand preeminently one of peace and friendship.

But before their arrival at Manila the sinister ambition of a few leaders of the Filipinos had created a situation full of embarrassment for us and most grievous in its consequences to themselves. The clear and impartial preliminary report of the Commissioners, which I transmit herewith, gives so lucid and comprehensive a history of the present insurrectionary movement that the story need not be here repeated. It is enough to say that the claim of the rebel leader that he was promised independence by any officer of the United States in

return for his assistance has no foundation in fact and is categorically denied by the very witnesses who were called to prove it. The most the insurgent leader hoped for when he came back to Manila was the liberation of the islands from the Spanish control, which they had been laboring for years without success to throw off.

The prompt accomplishment of this work by the American Army and Navy gave him other ideas and ambitions, and insidious suggestions from various quarters perverted the purposes and intentions with which he had taken up arms. No sooner had our army captured Manila than the Filipino forces began to assume an attitude of suspicion and hostility which the utmost efforts of our officers and troops were unable to disarm or modify. Their kindness and forbearance were taken as a proof of cowardice. The aggressions of the Filipinos continually increased until finally, just before the time set by the Senate of the United States for a vote upon the treaty, an attack, evidently prepared in advance, was made all along the American lines, which resulted in a terribly destructive and sanguinary repulse of the insurgents.

Ten days later an order of the insurgent government was issued to its adherents who had remained in Manila, of which General Otis justly observes that "for barbarous intent it is unequaled in modern times." It directs that at 8 o'clock on the night of the 15th of February the "territorial militia" shall come together in the streets of San Pedro armed with their *bolos*, with guns and ammunition where convenient; that Filipino families only shall be respected; but that all other individuals, of whatever race they may be, shall be exterminated without any compassion, after the extermination of the army of occupation, and adds: "Brothers, we must avenge ourselves on the Americans and exterminate them, that we may take our revenge for the infamies and treacheries which they have committed upon us. Have no compassion upon them; attack with vigor." A copy of this fell by good fortune into the hands of our officers and they were able to take measures to control the rising, which was actually attempted on the night of February 22d, a week later than was originally contemplated. Considerable numbers of armed insurgents entered the city by waterways and swamps and in concert with confederates inside attempted to destroy Manila by fire. They were kept in check during the night and the next day driven out of the city with heavy loss.

This was the unhappy condition of affairs which confronted our Commissioners on their arrival in Manila. They had come with the hope and intention of co-operating with Admiral Dewey and Major-General Otis in establishing peace and order in the archi-

pelago and the largest measure of self-government compatible with the true welfare of the people. What they actually found can best be set forth in their own words:

"Deplorable as war is, the one in which we are now engaged was unavoidable by us. We were attacked by a bold, adventurous, and enthusiastic army. No alternative was left to us except ignominious retreat.

"It is not to be conceived of that any American would have sanctioned the surrender of Manila to the insurgents. Our obligations to other nations and to the friendly Filipinos and to ourselves and our flag demanded that force should be met by force. Whatever the future of the Philippines may be, there is no course open to us now except the prosecution of the war until the insurgents are reduced to submission. The Commission is of the opinion that there has been no time since the destruction of the Spanish squadron by Admiral Dewey when it was possible to withdraw our forces from the islands either with honor to ourselves or with safety to the inhabitants."

The course thus clearly indicated has been unflinchingly pursued. The rebellion must be put down. Civil government can not be thoroughly established until order is restored. With a devotion and gallantry worthy of its most brilliant history, the Army, ably and loyally assisted by the Navy, has carried on this unwelcome but most righteous campaign with richly deserved success. The noble self-sacrifice with which our soldiers and sailors whose terms of service had expired refused to avail themselves of their right to return home as long as they were needed at the front forms one of the brightest pages in our annals. Although their operations have been somewhat interrupted and checked by a rainy season of unusual violence and duration, they have gained ground steadily in every direction, and now look forward confidently to a speedy completion of their task.

The unfavorable circumstances connected with an active campaign have not been permitted to interfere with the equally important work of reconstruction. Again I invite your attention to the report of the Commissioners for the interesting and encouraging details of the work already accomplished in the establishment of peace and order and the inauguration of self-governing municipal life in many portions of the archipelago. A notable beginning has been made in the establishment of a government in the island of Negros which is deserving of special consideration. This was the first island to accept American sovereignty. Its people unreservedly proclaimed allegiance to the United States and adopted a constitution looking to the establishment of a popular government. It was impossible to guarantee to the people of Negros that the con-

stitution so adopted should be the ultimate form of government. Such a question, under the treaty with Spain and in accordance with our own Constitution and laws, came exclusively within the jurisdiction of the Congress. The government actually set up by the inhabitants of Negros eventually proved unsatisfactory to the natives themselves. A new system was put into force by order of the Major-General Commanding the Department, of which the following are the most important elements:

It was ordered that the government of the island of Negros should consist of a military governor appointed by the United States military governor of the Philippines, and a civil governor and an advisory council elected by the people. The military governor was authorized to appoint secretaries of the treasury, interior, agriculture, public instruction, an attorney-general, and an auditor. The seat of government was fixed at Bacolod. The military governor exercises the supreme executive power. He is to see that the laws are executed, appoint to office, and fill all vacancies in office not otherwise provided for, and may, with the approval of the military governor of the Philippines, remove any officer from office. The civil governor advises the military governor on all public civil questions and presides over the advisory council. He, in general, performs the duties which are performed by secretaries of state in our own system of government.

The advisory council consists of eight members elected by the people within territorial limits which are defined in the order of the commanding general.

The times and places of holding elections are to be fixed by the military governor of the island of Negros. The qualifications of voters are as follows:

(1) A voter must be a male citizen of the island of Negros. (2) Of the age of 21 years. (3) He shall be able to speak, read, and write the English, Spanish, or Visayan language, or he must own real property worth $500, or pay a rental on real property of the value of $1,000. (4) He must have resided in the island not less than one year preceding, and in the district in which he offers to register as a voter not less than three months immediately preceding the time he offers to register. (5) He must register at a time fixed by law before voting. (6) Prior to such registration he shall have paid all taxes due by him to the Government. Provided, that no insane person shall be allowed to register or vote.

The military governor has the right to veto all bills or resolutions adopted by the advisory council, and his veto is final if not disapproved by the military governor of the Philippines.

The advisory council discharges all the ordinary duties of a legislature. The usual duties pertaining to said offices are to be performed by the secretaries of the treasury, interior, agriculture, public instruction, the attorney-general, and the auditor.

The judicial power is vested in three judges, who are to be appointed by the military governor of the island. Inferior courts are to be established.

Free public schools are to be established throughout the populous districts of the island, in which the English language shall be taught, and this subject will receive the careful consideration of the advisory council.

The burden of government must be distributed equally and equitably among the people. The military authorities will collect and receive the customs revenue, and will control postal matters and Philippine inter-island trade and commerce.

The military governor, subject to the approval of the military governor of the Philippines, determines all questions not specifically provided for and which do not come under the jurisdiction of the advisory council.

The authorities of the Sulu Islands have accepted the succession of the United States to the rights of Spain, and our flag floats over that territory. On the 10th of August, 1899, Brig. Gen. J. C. Bates, United States Volunteers, negotiated an agreement with the Sultan and his principal chiefs, which I transmit herewith. By Article I the sovereignty of the United States over the whole archipelago of Jolo and its dependencies is declared and acknowledged.

The United States flag will be used in the archipelago and its dependencies, on land and sea. Piracy is to be suppressed, and the Sultan agrees to co-operate heartily with the United States authorities to that end and to make every possible effort to arrest and bring to justice all persons engaged in piracy. All trade in domestic products of the archipelago of Jolo when carried on with any part of the Philippine Islands and under the American flag shall be free, unlimited, and undutiable. The United States will give full protection to the Sultan in case any foreign nation should attempt to impose upon him. The United States will not sell the island of Jolo or any other island of the Jolo archipelago to any foreign nation without the consent of the Sultan. Salaries for the Sultan and his associates in the administration of the islands have been agreed upon to the amount of $760 monthly.

Article X provides that any slave in the archipelago of Jolo shall have the right to purchase freedom by paying to the master the usual market value. The agreement by General Bates was made

subject to confirmation by the President and to future modifications by the consent of the parties in interest. I have confirmed said agreement, subject to the action of the Congress, and with the reservation, which I have directed shall be communicated to the Sultan of Jolo, that this agreement is not to be deemed in any way to authorize or give the consent of the United States to the existence of slavery in the Sulu archipelago. I communicate these facts to the Congress for its information and action.

Everything indicates that with the speedy suppression of the Tagalo rebellion life in the archipelago will soon resume its ordinary course under the protection of our sovereignty, and the people of those favored islands will enjoy a prosperity and a freedom which they have never before known. Already hundreds of schools are open and filled with children. Religious freedom is sacredly assured and enjoyed. The courts are dispensing justice. Business is beginning to circulate in its accustomed channels. Manila, whose inhabitants were fleeing to the country a few months ago, is now a populous and thriving mart of commerce. The earnest and unremitting endeavors of the Commission and the Admiral and Major-General Commanding the Department of the Pacific to assure the people of the beneficent intentions of this Government have had their legitimate effect in convincing the great mass of them that peace and safety and prosperity and stable government can only be found in a loyal acceptance of the authority of the United States.

The future government of the Philippines rests with the Congress of the United States. Few graver responsibilities have ever been confided to us. If we accept them in a spirit worthy of our race and our traditions, a great opportunity comes with them. The islands lie under the shelter of our flag. They are ours by every title of law and equity. They can not be abandoned. If we desert them we leave them at once to anarchy and finally to barbarism. We fling them, a golden apple of discord, among the rival powers, no one of which could permit another to seize them unquestioned. Their rich plains and valleys would be the scene of endless strife and bloodshed. The advent of Dewey's fleet in Manila Bay instead of being, as we hope, the dawn of a new day of freedom and progress, will have been the beginning of an era of misery and violence worse than any which has darkened their unhappy past. The suggestion has been made that we could renounce our authority over the islands and, giving them independence, could retain a protectorate over them. This proposition will not be found, I am sure, worthy of your serious attention. Such an arrangement would involve at the outset a cruel breach of faith. It would place the peaceable and loyal

majority, who ask nothing better than to accept our authority, at the mercy of the minority of armed insurgents. It would make us responsible for the acts of the insurgent leaders and give us no power to control them. It would charge us with the task of protecting them against each other and defending them against any foreign power with which they chose to quarrel. In short, it would take from the Congress of the United States the power of declaring war and vest that tremendous prerogative in the Tagal leader of the hour.

It does not seem desirable that I should recommend at this time a specific and final form of government for these islands. When peace shall be restored it will be the duty of Congress to construct a plan of government which shall establish and maintain freedom and order and peace in the Philippines. The insurrection is still existing, and when it terminates further information will be required as to the actual condition of affairs before inaugurating a permanent scheme of civil government. The full report of the Commission, now in preparation, will contain information and suggestions which will be of value to Congress, and which I will transmit as soon as it is completed. As long as the insurrection continues the military arm must necessarily be supreme. But there is no reason why steps should not be taken from time to time to inaugurate governments essentially popular in their form as fast as territory is held and controlled by our troops. To this end I am considering the advisability of the return of the Commission, or such of the members thereof as can be secured, to aid the existing authorities and facilitate this work throughout the islands. I have believed that reconstruction should not begin by the establishment of one central civil government for all the islands, with its seat at Manila, but rather that the work should be commenced by building up from the bottom, first establishing municipal governments and then provincial governments, a central government at last to follow.

Until Congress shall have made known the formal expression of its will I shall use the authority vested in me by the Constitution and the statutes to uphold the sovereignty of the United States in those distant islands as in all other places where our flag rightfully floats. I shall put at the disposal of the Army and Navy all the means which the liberality of Congress and the people have provided to cause this unprovoked and wasteful insurrection to cease. If any orders of mine were required to insure the merciful conduct of military and naval operations, they would not be lacking; but every step of the progress of our troops has been marked by a humanity which has surprised even the misguided insurgents. The

truest kindness to them will be a swift and effective defeat of their present leader. The hour of victory will be the hour of clemency and reconstruction.

No effort will be spared to build up the waste places desolated by war and by long years of misgovernment. We shall not wait for the end of strife to begin the beneficent work. We shall continue, as we have begun, to open the schools and the churches, to set the courts in operation, to foster industry and trade and agriculture, and in every way in our power to make these people whom Providence has brought within our jurisdiction feel that it is their liberty and not our power, their welfare and not our gain, we are seeking to enhance. Our flag has never waved over any community but in blessing. I believe the Filipinos will soon recognize the fact that it has not lost its gift of benediction in its world-wide journey to their shores.

Some embarrassment in administration has occurred by reason of the peculiar status which the Hawaiian Islands at present occupy under the joint resolution of annexation approved July 7, 1898. While by that resolution the Republic of Hawaii as an independent nation was extinguished, its separate sovereignty destroyed, and its property and possessions vested in the United States, yet a complete establishment for its government under our system was not effected. While the municipal laws of the islands not enacted for the fulfillment of treaties and not inconsistent with the joint resolution or contrary to the Constitution of the United States or any of its treaties remain in force, yet these laws relate only to the social and internal affairs of the islands, and do not touch many subjects of importance which are of a broader national character. For example, the Hawaiian Republic was divested of all title to the public lands in the islands, and is not only unable to dispose of lands to settlers desiring to take up homestead sites, but is without power to give complete title in cases where lands have been entered upon under lease or other conditions which carry with them the right to the purchaser, lessee, or settler to have a full title granted to him upon compliance with the conditions prescribed by law or by his particular agreement of entry.

Questions of doubt and difficulty have also arisen with reference to the collection of tonnage tax on vessels coming from Hawaiian ports; with reference to the status of Chinese in the islands, their entrance and exit therefrom; as to patents and copyrights; as to the register of vessels under the navigation laws; as to the necessity of holding elections in accordance with the provisions of the Hawaiian

statutes for the choice of various officers, and as to several other matters of detail touching the interests both of the island and of the Federal Government.

By the resolution of annexation the President was directed to appoint five commissioners to recommend to Congress such legislation concerning the islands as they should deem necessary or proper. These commissioners were duly appointed and after a careful investigation and study of the system of laws and government prevailing in the islands, and of the conditions existing there, they prepared a bill to provide a government under the title of "The Territory of Hawaii." The report of the Commission, with the bill which they prepared, was transmitted by me to Congress on December 6, 1898, but the bill still awaits final action.

The people of these islands are entitled to the benefits and privileges of our Constitution, but in the absence of any act of Congress providing for Federal courts in the islands, and for a procedure by which appeals, writs of error, and other judicial proceedings necessary for the enforcement of civil rights may be prosecuted, they are powerless to secure their enforcement by the judgment of the courts of the United States. It is manifestly important, therefore, that an act shall be passed as speedily as possible erecting these islands into a judicial district, providing for the appointment of a judge and other proper officers and methods of procedure in appellate proceedings, and that the government of this newly acquired territory under the Federal Constitution shall be fully defined and provided for.

A necessity for immediate legislative relief exists in the Territory of Alaska. Substantially the only law providing a civil government for this Territory is the act of May 17, 1884. This is meager in its provisions, and is fitted only for the administration of affairs in a country sparsely inhabited by civilized people and unimportant in trade and production, as was Alaska at the time this act was passed. The increase in population by immigration during the past few years, consequent upon the discovery of gold, has produced such a condition as calls for more ample facilities for local self-government and more numerous conveniences of civil and judicial administration. Settlements have grown up in various places, constituting in point of population and business cities of thousands of inhabitants, yet there is no provision of law under which a municipality can be organized or maintained.

In some localities the inhabitants have met together and voluntarily formed a municipal organization for the purposes of local government, adopting the form of a municipal constitution and

charter, under which said officials have been appointed; and ordinances creating and regulating a police force, a fire department, a department of health, and making provision for the care of the insane and indigent poor and sick and for public schools, have been passed. These proceedings and the ordinances passed by such municipalities are without statutory authority and have no sanction, except as they are maintained by the popular sentiment of the community. There is an entire absence of authority to provide the ordinary instruments of local police control and administration, the population consisting of the usual percentage of lawless adventurers of the class that always flock to new fields of enterprise or discovery, and under circumstances which require more than ordinary provision for the maintenance of peace, good order, and lawful conduct.

The whole vast area of Alaska comprises but one judicial district, with one judge, one marshal, and one district attorney, yet the civil and criminal business has more than doubled within the past year, and is many times greater both in volume and importance than it was in 1884. The duties of the judge require him to travel thousands of miles to discharge his judicial duties at the various places designated for that purpose. The Territory should be divided into at least two districts, and an additional judge, district attorney, marshal, and other appropriate officers be provided.

There is practically no organized form of government in the Territory. There is no authority, except in Congress, to pass any law, no matter how local or trivial, and the difficulty of conveying to the Congress an adequate conception and understanding of the various needs of the people in the different communities is easily understood. I see no reason why a more complete form of Territorial organization should not be provided. Following the precedent established in the year 1805, when a temporary government was provided for the recently acquired territory, then known under the name of Louisiana, it seems to me that it would be advantageous to confer greater executive power upon the governor and to establish, as was done in the case of the Territory of Louisiana, a legislative council having power to adopt ordinances which shall extend to all the rightful subjects of local legislation, such ordinances not to take effect until reported to and approved by the Congress if in session, and if that body is not in session then by the President. In this manner a system of laws providing for the incorporation and government of towns and cities having a certain population, giving them the power to establish and maintain a system of education to be locally supported, and ordinances providing for police, sanitary, and other such purposes, could be speedily provided. I believe a pro-

vision of this kind would be satisfactory to the people of the Territory. It is probable that the area is too vast and the population too scattered and transitory to make it wise at the present time to provide for an elective legislative body, but the conditions calling for local self-government will undoubtedly very soon exist, and will be facilitated by the measures which I have recommended.

I recommend that legislation to the same end be had with reference to the government of Porto Rico. The time is ripe for the adoption of a temporary form of government for this island; and many suggestions made with reference to Alaska are applicable also to Porto Rico.

The system of civil jurisprudence now adopted by the people of this island is described by competent lawyers who are familiar with it, as thoroughly modern and scientific, so far as it relates to matters of internal business, trade, production, and social and private right in general. The cities of the island are governed under charters which probably require very little or no change. So that with relation to matters of local concern and private right, it is not probable that much, if any, legislation is desirable; but with reference to public administration and the relations of the island to the Federal Government, there are many matters which are of pressing urgency. The same necessity exists for legislation on the part of Congress to establish Federal courts and Federal jurisdiction in the island as has been previously pointed out by me with reference to Hawaii. Besides the administration of justice, there are the subjects of the public lands; the control and improvement of rivers and harbors; the control of the waters or streams not navigable, which, under the Spanish law, belonged to the Crown of Spain, and have by the treaty of cession passed to the United States; the immigration of people from foreign countries; the importation of contract labor; the imposition and collection of internal revenue; the application of the navigation laws; the regulation of the current money; the establishment of post-offices and post-roads; the regulation of tariff rates on merchandise imported from the island into the United States; the establishment of ports of entry and delivery; the regulation of patents and copyrights; these, with various other subjects which rest entirely within the power of the Congress, call for careful consideration and immediate action.

It must be borne in mind that since the cession Porto Rico has been denied the principal markets she had long enjoyed and our tariffs have been continued against her products as when she was under Spanish sovereignty. The markets of Spain are closed to her

products except upon terms to which the commerce of all nations is subjected. The island of Cuba, which used to buy her cattle and tobacco without customs duties, now imposes the same duties upon these products as from any other country entering her ports. She has therefore lost her free intercourse with Spain and Cuba without any compensating benefits in this market. Her coffee was little known and not in use by our people, and therefore there was no demand here for this, one of her chief products. The markets of the United States should be opened up to her products. Our plain duty is to abolish all customs tariffs between the United States and Porto Rico and give her products free access to our markets.

As a result of the hurricane which swept over Porto Rico on the 8th of August, 1899, over 100,000 people were reduced to absolute destitution, without homes, and deprived of the necessaries of life. To the appeal of the War Department the people of the United States made prompt and generous response. In addition to the private charity of our people, the War Department has expended for the relief of the distressed $392,342.63, which does not include the cost of transportation.

It is desirable that the government of the island under the law of belligerent right, now maintained through the Executive Department, should be superseded by an administration entirely civil in its nature. For present purposes I recommend that Congress pass a law for the organization of a temporary government, which shall provide for the appointment by the President, subject to confirmation by the Senate, of a governor and such other officers as the general administration of the island may require, and that for legislative purposes upon subjects of a local nature not partaking of a Federal character a legislative council, composed partly of Porto Ricans and partly of citizens of the United States, shall be nominated and appointed by the President, subject to confirmation by the Senate, their acts to be subject to the approval of the Congress or the President prior to going into effect. In the municipalities and other local subdivisions I recommend that the principle of local self-government be applied at once, so as to enable the intelligent citizens of the island to participate in their own government and to learn by practical experience the duties and requirements of a self-contained and self-governing people. I have not thought it wise to commit the entire government of the island to officers selected by the people, because I doubt whether in habits, training, and experience they are such as to fit them to exercise at once so large a degree of self-government; but it is my judgment and expectation that they will soon arrive at an attainment of experience and wisdom and self-

control that will justify conferring upon them a much larger participation in the choice of their insular officers.

The fundamental requirement for these people, as for all people, is education. The free schoolhouse is the best preceptor for citizenship. In the introduction of modern educational methods care, however, must be exercised that changes be not made too abruptly and that the history and racial peculiarities of the inhabitants shall be given due weight. Systems of education in these new possessions founded upon common-sense methods, adapted to existing conditions and looking to the future moral and industrial advancement of the people, will commend to them in a peculiarly effective manner the blessings of free government.

The love of law and the sense of obedience and submission to the lawfully constituted judicial tribunals are embedded in the hearts of our people, and any violation of these sentiments and disregard of their obligations justly arouses public condemnation. The guaranties of life, liberty, and of civil rights should be faithfully upheld; the right of trial by jury respected and defended. The rule of the courts should assure the public of the prompt trial of those charged with criminal offenses, and upon conviction the punishment should be commensurate with the enormity of the crime.

Those who, in disregard of law and the public peace, unwilling to await the judgment of court and jury, constitute themselves judges and executioners should not escape the severest penalties for their crimes.

What I said in my Inaugural Address of March 4, 1897, I now repeat:

"The constituted authorities must be cheerfully and vigorously upheld. Lynchings must not be tolerated in a great and civilized country like the United States. Courts, not mobs, must execute the penalties of the laws. The preservation of public order, the right of discussion, the integrity of courts, and the orderly administration of justice must continue forever the rock of safety upon which our Government securely rests."

In accordance with the act of Congress providing for an appropriate national celebration in the year 1900 of the establishment of the seat of Government in the District of Columbia, I have appointed a committee, consisting of the governors of all the States and Territories of the United States, who have been invited to assemble in the city of Washington on the 21st of December, 1899, which, with the committees of the Congress and the District of Columbia, are charged with the proper conduct of this celebration.

Congress at its last session appropriated five thousand dollars "to enable the Chief of Engineers of the Army to continue the examination of the subject and to make or secure designs, calculations, and estimates for a memorial bridge from the most convenient point of the Naval Observatory grounds, or adjacent thereto, across the Potomac River to the most convenient point of the Arlington estate property." In accordance with the provisions of this act the Chief of Engineers has selected four eminent bridge engineers to submit competitive designs for a bridge combining the elements of strength and durability and such architectural embellishment and ornamentation as will fitly apply to the dedication, "A memorial to American patriotism." The designs are now being prepared, and as soon as completed will be submitted to the Congress by the Secretary of War. The proposed bridge would be a convenience to all the people from every part of the country who visit the national cemetery, an ornament to the Capital of the Nation, and forever stand as a monument to American patriotism. I do not doubt that Congress will give to the enterprise still further proof of its favor and approval.

The Executive order of May 6, 1896, extending the limits of the classified service, brought within the operation of the civil-service law and rules nearly all of the executive civil service not previously classified.

Some of the inclusions were found wholly illogical and unsuited to the work of the several Departments. The application of the rules to many of the places so included was found to result in friction and embarrassment. After long and very careful consideration it became evident to the heads of the Departments, responsible for their efficiency, that in order to remove these difficulties and promote an efficient and harmonious administration certain amendments were necessary. These amendments were promulgated by me in Executive order dated May 29, 1899.

The principal purpose of the order was to except from competitive examination certain places involving fiduciary responsibilities or duties of a strictly confidential, scientific, or executive character which it was thought might better be filled either by noncompetitive examination, or in the discretion of the appointing officer, than by open competition. These places were comparatively few in number. The order provides for the filling of a much larger number of places, mainly in the outside service of the War Department, by what is known as the registration system, under regulations to be approved

by the President, similar to those which have produced such admirable results in the navy-yard service.

All of the amendments had for their main object a more efficient and satisfactory administration of the system of appointments established by the civil-service law. The results attained show that under their operation the public service has improved and that the civil-service system is relieved of many objectionable features which heretofore subjected it to just criticism and the administrative officers to the charge of unbusinesslike methods in the conduct of public affairs. It is believed that the merit system has been greatly strengthened and its permanence assured. It will be my constant aim in the administration of government in our new possessions to make fitness, character, and merit essential to appointment to office, and to give to the capable and deserving inhabitants preference in appointments.

The 14th of December will be the One Hundredth Anniversary of the death of Washington. For a hundred years the Republic has had the priceless advantage of the lofty standard of character and conduct which he bequeathed to the American people. It is an inheritance which time, instead of wasting, continually increases and enriches. We may justly hope that in the years to come the benignant influence of the Father of his Country may be even more potent for good than in the century which is drawing to a close. I have been glad to learn that in many parts of the country the people will fittingly observe this historic anniversary.

Presented to this Congress are great opportunities. With them come great responsibilities. The power confided to us increases the weight of our obligations to the people, and we must be profoundly sensible of them as we contemplate the new and grave problems which confront us. Aiming only at the public good, we can not err. A right interpretation of the people's will and of duty can not fail to insure wise measures for the welfare of the islands which have come under the authority of the United States, and inure to the common interest and lasting honor of our country. Never has this Nation had more abundant cause than during the past year for thankfulness to God for manifold blessings and mercies, for which we make reverent acknowledgment.

WILLIAM McKINLEY.

EXECUTIVE MANSION,
December 5, 1899.

ANNUAL REPORT ON THE FINANCES.

TREASURY DEPARTMENT,
Washington, D. C., December 5, 1899.

SIR: I have the honor to submit the following report:

RECEIPTS AND EXPENDITURES.

Fiscal year 1899.

The revenues of the Government from all sources (by warrants) for the fiscal year ended June 30, 1899, were:

From internal revenue	$273,437,161.51
From customs	206,128,481.75
From profits on coinage, bullion deposits, etc	6,164,256.24
From District of Columbia	4,016,531.57
From fees—consular, letters patent, and land	2,805,435.35
From tax on national banks	1,912,411.25
From sales of public lands	1,678,246.81
From sales of Indian lands	1,476,175.00
From navy pension and navy hospital funds	1,343,563.88
From tax on seal skins and rent of seal islands	1,116,911.34
From miscellaneous	988,058.28
From sales of Government property	828,584.74
From customs fees, fines, penalties, etc	668,072.09
From payment of interest by Pacific railways	441,246.70
From immigrant fund	393,439.21
From sinking fund, Pacific railways	274,887.37
From depredations on public lands	157,671.50
From deposits for surveying public lands	128,238.70
From Soldiers' Home, permanent fund	87,838.23
From sales of ordnance material	82,338.42
From sales of lands and buildings	32,756.10
From part payment Central Pacific Railroad indebtedness	11,798,314.14
From Postal Service	95,021,384.17
Total receipts	610,982,004.35

The expenditures for the same period were:

For the civil establishment, including foreign intercourse, public buildings, collecting the revenues, District of Columbia, and other miscellaneous expenses	$90,979,685.82
For the military establishment, including rivers and harbors, forts, arsenals, sea-coast defenses, and expenses of the Spanish war	229,841,254.47
For the naval establishment, including construction of new vessels, machinery, armament, equipment, improvement at navy-yards, and expenses of the Spanish war	63,942,104.25
For treaty obligations with Spain	20,000,000.00
For Indian Service	12,805,711.14
For pensions	139,394,929.07
For interest on the public debt	39,896,925.02
For deficiency in postal revenues	8,211,570.08
For Postal Service	95,021,384.17
Total expenditures	700,093,564.02
Showing a deficit of	89,111,559.67

In addition to the revenues collected during the year and the amount received in part payment of the indebtedness of the Central Pacific Railroad, the cash in the Treasury was increased by the following sums: From subscriptions to the 3 per cent ten-twenty bonds issued under authority of the act of June 13, 1898, for the Spanish war expenditures, $198,678,720; from national-bank fund deposited under act of July 14, 1890, in excess of bank notes redeemed, $5,324,234.50, and from the issue of 4 per cent bonds in liquidation of interest accrued on refunding certificates converted during the year, $2,560, making a total of $204,005,514.50.

The securities redeemed on account of the sinking fund were as follows:

Loan of July and August, 1861	$2,300.00
Loan of 1863	500.00
Funded loan of 1881	1,100.00
Funded loan of 1881, continued at 3½ per cent	500.00
Loan of July, 1882	5,100.00
Funded loan of 1891	17,550.00
Fractional currency and notes	4,223.48
Total	31,273.48

As compared with the fiscal year 1898, the receipts for 1899 increased $116,648,050.60, as follows:

Increase in receipts for 1899.

Source.	1898.	1899.	Increase.	Decrease.
Internal revenue	$170,900,641.49	$273,437,161.51	$102,536,520.02	
Customs	149,575,062.35	206,128,481.75	56,553,419.40	
Profits on coinage, bullion deposits, etc.	4,756,469.71	6,164,256.24	1,407,786.53	
Tax on seal skins, and rent of seal islands		1,116,911.34	1,116,911.34	
Sales of Indian lands	576,687.41	1,476,175.00	899,487.59	
Sales of Government property	224,331.32	828,584.74	604,253.42	
Sales of public lands	1,243,129.42	1,678,246.81	435,117.39	
District of Columbia	3,693,282.98	4,016,531.57	323,248.59	
Navy pension and navy hospital funds	1,146,590.41	1,343,563.88	196,973.47	
Fees—consular, letters patent, and land	2,639,750.54	2,805,435.35	165,684.81	
Depredations on public lands	29,154.30	157,671.50	128,517.20	
Customs fees, fines, penalties, etc.	576,487.50	668,072.09	91,584.59	
Immigrant fund	306,992.86	393,439.21	86,446.35	
Deposits for surveying public lands	113,049.08	128,238.70	15,189.62	
Sinking fund for Pacific railways	781,983.83	274,887.37		$507,069.46
Payment of interest by Pacific railways	526,286.13	441,246.70		85,039.43
Sales of lands and buildings	99,273.95	32,756.10		66,517.85
Tax on national banks	1,975,849.28	1,912,411.25		63,438.03
Soldiers' Home, permanent fund	107,612.49	87,838.23		19,774.26
Miscellaneous	1,007,352.96	987,556.36		19,796.60
Sales of ordnance material	94,638.59	82,338.42		12,300.17
Donations	102,394.87	501.92		101,892.95
Reimbursement for cost of water supply, District of Columbia	93,086.98			93,086.98
Sale of Union Pacific Railroad	58,448,223.75			58,448,223.75
Sale of Kansas Pacific Railroad	6,303,000.00			6,303,000.00
Part payment Central Pacific Railroad indebtedness		11,798,314.14	11,798,314.14	
Postal Service	89,012,618.55	95,021,384.17	6,008,765.62	
Total	494,333,953.75	610,982,004.35	182,368,220.08	65,720,169.48
Net increase			116,648,050.60	

There was an increase of $161,703,597.05 in expenditures, as follows:

Increase in expenditures for 1899.

Object.	1898.	1899.	Increase.	Decrease.
CIVIL ESTABLISHMENT.				
Legislative—				
Salaries and expenses	$9,438,577.31	$11,177,369.61	$1,738,792.30	
Executive proper—				
Salaries and expenses	199,150.90	210,592.82	11,441.92	
Department of State—				
Salaries and expenses	138,975.25	145,406.83	6,431.58	
Foreign intercourse	2,485,581.13	2,401,088.46		$84,492.67
National defense		325,118.68	325,118.68	
Treaty obligations between United States and Spain in 1898		20,000,000.00	20,000,000.00	
Treasury Department—				
Salaries and expenses	3,074,323.46	3,186,817.00	112,493.54	
Independent Treasury	593,635.66	599,685.25	6,049.59	
Mints and assay offices	1,128,172.18	1,488,270.92	360,098.74	
Territorial governments	92,591.56	164,634.17	72,042.61	
Salaries, etc., internal revenue	3,615,685.85	4,227,460.87	611,775.02	
Bounty on sugar	1,098,737.70			1,098,737.70
Refund for land sold for direct taxes	455.50	14,999.07	14,543.57	
Miscellaneous, internal revenue	187,632.10	256,686.93	69,054.83	
Collecting customs revenue	7,152,276.58	7,361,562.83	209,286.25	
Refunding excess of deposits, customs	1,999,577.60	3,637,799.90	1,638,222.30	
Debentures or drawbacks, customs	2,928,835.37	3,991,200.05	1,062,364.68	
Miscellaneous items, customs	229,546.49	243,881.32	14,334.83	
Revenue Cutter Service	1,066,478.04	1,040,594.64		25,883.40
Regulating immigration	210,791.49	263,079.06	52,287.57	
Chinese-exclusion act	82,460.61	89,084.51	6,623.90	
New revenue vessels	430,199.85	206,156.35		224,043.50
Alien contract labor laws	85,841.15	88,396.64	2,555.49	
Marine-Hospital Service	709,248.04	788,043.21	78,795.17	
Life-Saving Service	1,537,740.00	1,528,895.39		8,844.61
Light-House Establishment	3,331,256.37	3,118,833.50		212,422.87
Coast and Geodetic Survey	478,007.84	659,412.43	181,404.59	
Steamboat-Inspection Service	340,009.04	331,678.33		8,330.71
Engraving and printing	1,129,261.93	1,612,926.18	483,664.25	
Public buildings	3,760,684.57	3,861,194.30	100,509.73	
Fuel, etc., public buildings	881,331.38	851,295.72		30,035.66
Custodians and janitors	928,999.40	939,921.37	10,921.97	
Furniture for public buildings	199,446.31	292,075.64	92,629.33	
Heating apparatus, public buildings	101,507.45	150,117.39	48,609.94	
Vaults, safes, etc., public buildings	34,697.58	51,323.64	16,626.06	
Fish hatcheries	80,547.75	62,510.75		18,037.00
Salaries and expenses, Fish Commission	384,522.91	370,700.67		13,822.24
National Museum	221,051.67	235,389.45	14,337.78	
Zoological Park	54,862.31	63,141.12	8,278.81	
Smithsonian Institution	127,968.27	134,424.54	6,456.27	
Columbian Exposition	2,864.39			2,864.39
Interstate Commerce Commission	241,253.15	240,799.80		453.35
Expenses of Treasury notes	230,329.61	137,650.05		92,679.56
French spoliation claims		880,034.12	880,034.12	
Claims under Bowman and Tucker acts		1,413,040.40	1,415,040.40	
Philadelphia Exposition		350,000.00	350,000.00	
Tennessee Exposition	49,947.42			49,947.42
Omaha Exposition	114,132.29	82,774.35		31,357.94
Epidemic diseases	215,278.94	272,085.70	56,806.76	
Expenses, loan of 1898	50,000.00	232,529.70	182,529.70	
Sinking fund, Union Pacific Railroad	4,549,368.26			4,549,368.26
National defense	5,000.00	145,008.09	140,008.09	
Miscellaneous items	469,598.26	524,026.97	54,428.71	
War Department—				
Salaries and expenses	1,897,778.67	2,554,110.89	656,332.22	
Navy Department—				
Salaries and expenses	426,496.99	412,630.66		13,866.39
Interior Department—				
Salaries and expenses	4,767,499.10	4,700,358.50		67,140.60
Public Lands Service	2,207,994.80	2,389,184.14	181,189.34	
Colleges for agriculture	1,104,000.00	1,152,000.00	48,000.00	
Twelfth Census		50,000.00	50,000.00	
Miscellaneous items	591,858.93	674,935.59	83,076.66	
Post-Office Department—				
Salaries and expenses	870,481.01	942,218 03	71,737.02	
Deficiency in postal revenues	10,504,040.42	8,211,570.08		2,292,470.34
Mail transportation, Pacific railways	857,797.45	587,545.31		270,252.14
Department of Agriculture—				
Salaries and expenses	2,284,493.49	2,454,314.10	169,820.61	
Weather Bureau	908,814.39	1,039,060.60	130,246.21	

Increase in expenditures for 1899—Continued.

Object.	1898.	1899.	Increase.	Decrease.
Department of Labor—				
Salaries and expenses	$179,772.26	$170,902.08		$8,870.18
Department of Justice—				
Salaries and expenses	371,145.58	386,132.50	$14,986.92	
Salaries of justices, assistant attorneys, etc	1,135,181.88	1,071,464.64		63,717.24
Salaries, fees, and expenses of marshals	1,375,427.93	1,154,856.78		220,571.15
Fees of witnesses	955,579.46	982,102.50	26,523.04	
Salaries and fees of district attorneys	516,520.17	462,482.64		54,037.53
Fees of jurors	649,139.58	594,528.46		54,611.12
Fees of clerks	253,459.39	290,291.77	36,832.38	
Fees of commissioners	197,981.33	161,937.27		36,044.06
Support of prisoners	907,337.60	702,160.74		205,176.86
Pay of bailiffs	178,255.72	172,085.12		6,170.60
Judgments, United States courts	51,220.53	39,835.03		11,385.50
Protecting property in hands of receivers	2,144.21	331.00		1,813.21
Miscellaneous items	537,917.52	649,459.65	111,542.13	
District of Columbia—				
Salaries and expenses	6,319,725.84	6,735,039.16	415,313.32	
Total Civil Establishment	96,520,505.17	119,191,255.90	32,428,198.93	9,757,448.20
MILITARY ESTABLISHMENT.				
National defense	7,034,112.30	8,889,291.81	1,855,179.51	
Emergency fund		3,000,000.00	3,000,000.00	
Cuban and Philippine expeditions	600,034.00			600,034.00
Pay Department	21,443,990.19	69,588,579.42	48,145,489.23	
Extra pay, war with Spain		3,005,000.00	3,005,000.00	
Subsistence Department	5,922,441.36	17,203,367.99	11,280,926.63	
Quartermaster's Department	18,831,850.56	81,782,869.78	62,951,019.22	
Medical Department	494,287.34	2,186,283.86	1,691,996.52	
Ordnance Department	10,786,774.65	19,396,663.76	8,609,889.11	
Engineer's Department	774,589.07	1,315,096.04	540,506.97	
Signal Service	35,126.57	378,419.14	343,292.57	
Military telegraph and cable lines		174,000.00	174,000.00	
Military Academy	280,085.70	161,771.89		118,313.81
Improving harbors	5,678,777.97	4,541,686.27		1,137,091.70
Improving rivers	15,105,271.99	11,540,855.15		3,565,416.84
Military posts	399,190.37	352,919.12		46,271.25
Records of the Rebellion	153,124.71	99,204.37		53,920.34
National Home for Disabled Soldiers	2,286,943.73	3,055,783.18	768,839.45	
State homes for disabled soldiers	913,750.00	1,032,315.07	118,565.07	
Support of Soldiers' Home	107,612.49	87,838.23		19,774.26
Soldiers' Home, permanent fund	129,000.00	141,400.00	12,400.00	
Soldiers' Home, interest account	81,715.55	80,905.74		809.81
Reimbursing States and Territories, expenses of raising troops, Spanish war		1,281,878.07	1,281,878.07	
Miscellaneous items	933,221.74	545,095.58		388,126.16
Total Military Establishment	91,992,000.29	229,841,254.47	143,779,012.35	5,929,758.17
NAVAL ESTABLISHMENT.				
National defense	20,622,415.20	6,197,701.02		14,424,714.18
Emergency fund		3,856,263.95	3,856,263.95	
Increase of the Navy	10,753,388.73	10,277,217.89		476,170.84
Vessels for auxiliary naval force	352,010.00	373,834.97	21,824.97	
Bureau of Yards and Docks	1,774,571.02	2,449,408.54	674,837.52	
Bureau of Equipment	1,843,121.78	4,682,491.03	2,839,369.25	
Bureau of Navigation	174,406.11	292,372.45	117,966.34	
Bureau of Construction and Repair	3,008,220.42	7,371,269.70	4,363,049.28	
Bureau of Ordnance	1,652,784.44	4,271,101.46	2,618,317.02	
Bureau of Steam Engineering	1,496,417.36	3,445,043.35	1,948,625.99	
Bureau of Supplies and Accounts	3,349,543.07	5,703,607.97	2,354,064.90	
Bureau of Medicine and Surgery	300,661.05	340,441.61	39,780.56	
Marine Corps	1,174,974.32	1,830,463.57	655,489.25	
Naval Academy	223,485.32	286,170.05	62,684.73	
Pay of the Navy	9,067,558.07	11,927,034.50	2,859,476.43	
General account of advances	2,258,701.75	118,624.69		2,140,077.06
Miscellaneous items	771,726.16	519,057.50		252,668.66
Total Naval Establishment	58,823,984.80	63,942,104.25	22,411,750.19	17,293,630.74
Indian Service	10,994,667.70	12,805,711.14	1,811,043.44	
Pensions	147,452,368.61	139,394,929.07		8,057,439.54
Interest on the public debt	37,585,056.23	39,896,925.02	2,311,868.79	
Grand total	443,368,582.80	605,072,179.85	202,741,873.70	41,038,276.65
Net increase			161,703,597.05	

Fiscal year 1900.

The revenues of the Government for the current fiscal year are thus estimated upon the basis of existing laws:

From customs	$225,000,000.00
From internal revenue	290,000,000.00
From miscellaneous sources	25,000,000.00
From Postal Service	100,958,112.00
Total estimated revenues	640,958,112.00

The expenditures for the same period are estimated as follows:

For the civil establishment	$100,000,000.00
For the military establishment	150,000,000.00
For the naval establishment	55,000,000.00
For the Indian Service	11,000,000.00
For pensions	144,000,000.00
For interest on the public debt	40,000,000.00
For Postal Service	100,958,112.00
Total estimated expenditures	600,958,112.00
Or a surplus of	40,000,000.00

Fiscal year 1901.

It is estimated that upon the basis of existing laws the revenues of the Government for the fiscal year 1901 will be:

From customs	$235,000,000.00
From internal revenue	300,000,000.00
From miscellaneous sources	25,000,000.00
From Postal Service	107,773,253.92
Total estimated revenues	667,773,253.92

The estimates of appropriations required for the same period, as submitted by the several Executive Departments and offices, are as follows:

Legislative establishment		$4,559,028.05
Executive establishment—		
Executive proper	$257,140.00	
State Department	162,430.00	
Treasury Department	9,928,781.60	
War Department	2,326,366.00	
Navy Department	734,181.26	
Interior Department	4,978,054.00	
Post-Office Department	977,139.00	
Department of Agriculture	4,106,257.00	
Department of Justice	231,050.00	
Department of Labor	172,980.00	
		23,874,378.86
Judicial establishment		692,120.00
Foreign intercourse		1,895,848.76
Military establishment		128,170,583.54
Naval establishment		58,425,334.83
Indian affairs		6,800,526.52
Pensions		145,230,230.00
Public works—		
Legislative	1,194,400.00	
Treasury Department	7,697,329.53	
War Department	50,988,271.49	
Navy Department	15,820,174.32	
Interior Department	461,050.00	
Department of Agriculture	200,000.00	
Department of Justice	55,000.00	
		76,416,225.34

Miscellaneous—		
Legislative	$4,182,829.74	
Treasury Department	14,976,838.53	
War Department	4,926,630.00	
Interior Department	12,345,981.30	
Department of Justice	5,210,900.00	
District of Columbia	7,657,773.31	
		$49,300,952.88
Postal Service, including $3,004,546.08 deficiency in postal revenues		110,777,800.00
Permanent annual appropriations—		
Interest on the public debt	40,000,000.00	
Refunding—customs, internal revenue, etc	7,244,000.00	
Collecting revenue from customs	5,500,000.00	
Miscellaneous	26,968,220.00	
		79,712,220.00
Total estimated appropriations, exclusive of sinking fund		685,855,248.78
Or an estimated deficit of		18,081,994.86

Since the expenditures of the current fiscal year will probably not exceed $600,958,112, it is confidently believed that Congress, in reviewing the requirements of the various Executive Departments for the fiscal year 1901, now placed at $685,855,248.78, will be able to reduce the estimates submitted to such a point as will bring expenditures within the estimated revenues of $667,773,253.92, and leave in fact a fair and substantial margin for surplus.

OPERATIONS OF THE TREASURY.

The transactions of the fiscal year, as shown by the report of the Treasurer of the United States, were of unusual magnitude, the net ordinary receipts having been exceeded in any like period but once, in 1866, and the net ordinary expenditures but thrice, in 1863, 1864, and 1865. Inclusive of the amounts involved in the issue and redemption of bonds, notes, and certificates, the gross receipts, under warrant, were $1,038,451,340.18, and the gross expenditures $946,222,148.83. There was, in consequence, an addition of $92,229,191.35 to the general Treasury balance, which increased from $775,751,368.11 to $867,980,559.46. These operations were conducted through the offices of the Treasury, numbering 10, those of the mint, increased during the year from 11 to 12, and the depositary banks, of which there were 172 at the beginning of the year and 357 at the close. The aggregate of money handled by the Treasury offices alone was $2,393,199,747 in the receipts and $2,371,283,629 in the disbursements.

While there was a deficiency of $89,111,559.67 in the ordinary revenues, the excess of receipts over disbursements on account of loans was sufficient to realize a net surplus of $100,791,521.35 as the result of the fiscal operations of the year. This substantial addition to the available resources, together with the steady advance of the receipts from taxation to an actual excess over current needs, has relieved the Treasury of all danger of difficulty from sudden emergency. Nor was the growth of the available cash balance, which stood at $284,488,516.20 at the close of the year, more wholesome than the improvement in the

character of the assets, which were converted into gold as far as statutory and other limitations would permit.

The receipt of the proceeds of the war loan extended from June, 1898, to April, 1899, although the bulk of the subscriptions was fully paid within the first four months. Of the total of nearly $200,000,000, no less than upward of $125,000,000 was remitted by means of checks on banks in all parts of the country, which were collected through the Washington office. This fact, with the further circumstance that the remainder, which was paid in cash into the offices of the Treasury, was divided among them very nearly in proportion to their ordinary business, shows how evenly the whole country was represented in the subscriptions. Although the Department made no preference of one kind of money over another, the tenders of gold exceeded those of any form of paper, and amounted to more than a third of the total cash payments.

Important changes took place during the year in the composition and distribution of the stock of money. The amount of notes and silver certificates in circulation was increased by $43,828,386, reducing the paper holdings of the Treasury to the minimum required for the transaction of business. The outstanding Treasury notes of 1890 were cut down, by cancellation on redemption in silver dollars, from $101,207,280 to $93,518,280. This process, however, did not involve a contraction of the currency, since the coins paid out for the notes either remained in circulation or were redeposited in the Treasury for silver certificates. As the volume of the paper currency is fixed by limitations, the depletion of the Treasury holdings made it necessary to refuse many requests, most of them for small denominations, where the application was not accompanied with a tender in kind. Precaution had, however, been taken to provide a liberal supply of small notes, and they were always sent out when desired in redemption of unfit currency.

In consequence of these operations and the increased use of gold, there was a noteworthy addition to the denominations of $20 and under in active circulation. In the year ended September 30 last the increase in the amount of paper money of these denominations outstanding amounted to $58,665,416, while the increase of the gold coin in the hands of the people was estimated at $23,911,373. Inclusive of the higher denominations of paper, the total increase of the active circulation, reckoned on the same basis, was $125,751,014.

In the fiscal year the offices of the Treasury paid out $42,532,296 in standard silver dollars, an increase of $1,700,147 over the previous year. The receipts in the same period were $37,581,040, a decrease of $16,426,894. By September 30 the continued demand for these coins carried the total in circulation to $68,755,243, the highest amount ever reached. Similar activity in the call for subsidiary silver coins, of which the Treasury received $36,593,199 and paid out $40,189,375 during the same period, gradually reduced the Treasury holdings, until at the close of the year only $6,070,497 remained on hand. In the

ensuing three months the continuance of the demand decreased the Treasury stock to $2,477,571. The amount estimated to be in circulation on the 30th of September was $74,045,762.

The receipts of gold at New York from customs amounted for the fiscal year to 78.5 per cent of the whole, as compared with 20.4 per cent for 1898. For the first quarter of 1900 they rose to 84.5 per cent. In the aggregate operations of the Treasury, the receipts of gold in 1899 amounted to 37.6 per cent of the whole, and the disbursements to 35.37, as compared with 10.03 and 11.83, respectively, in 1898. For the quarter ended September 30, the percentage of gold receipts was 38.5 and of the disbursements 35.2. While so large a part of the Treasury's business was transacted in gold, and while large additions were made to the coin in outside circulation and are estimated to have reached $702,060,459 on July 1, 1899, the gold holdings of the Treasury have exceeded all previous records, both in the aggregate and in the net amount above outstanding gold certificates. On September 30 the gross amount of gold coin and bullion in the Treasury was $353,092,380, and the net $254,328,821. The maximum net gold was $258,081,565 on October 12. The highest previous records for the end of any month were $332,551,306 and $218,818,253, respectively, the former in September and the latter in March, 1888. The gross on October 31 was $379,817,316.

COINS AND COINAGE.

Deposits.

The receipts and deposits of bullion at mints and assay offices, including redeposits, aggregated $254,392,856.22, of which $221,184,530.61 was gold and $33,208,325.61 silver, classified as follows:

Gold:	
Domestic bullion	$76,252,487.23
Mutilated and uncurrent domestic coin	1,158,307.57
Foreign bullion and coin	63,121,711.95
Old plate and jewelry	2,964,683.90
Total original deposits	143,497,190.65
Redeposits	77,687,339.96
Total deposits	221,184,530.61
Silver (coinage value):	
Domestic bullion	7,220,896.57
Mutilated and uncurrent domestic coin	7,577,840.84
Foreign bullion and coin	950,896.74
Old plate and jewelry	626,748.88
Total original deposits	16,376,383.03
Redeposits	16,831,942.58
Total deposits	33,208,325.61

Purchases.

Silver bullion purchased under the provisions of section 3526, Revised Statutes of the United States, for coinage of subsidiary silver aggregated 420,737.27 fine ounces, costing $235,220.34.

Coinage.

The coinage executed during the fiscal year was:

Gold	$108,177,180.00
Silver dollars	18,254,709.00
Subsidiary silver	9,466,877.65
Minor	956,910.14
Total	136,855,676.79

The silver dollars coined were from bullion purchased under the act of July 14, 1890.

The total coinage of silver dollars from bullion purchased under act of July 14, 1890, from August 13, 1890, to July 1, 1899, was $97,005,966, containing 75,028,051.81 fine ounces, costing $71,195,539.09, giving a seigniorage of $25,810,426.91.

In addition to the above coinage there were manufactured at the mint at Philadelphia for the Government of Santo Domingo $901,881 silver pesos.

Recoinage.

Uncurrent gold coin of the face value of $1,168,851 and mutilated silver coin of the face value of $8,588,076.81 were received, as follows:

Transferred and purchased.	Face value.	
	Gold coin.	Silver coin.
Transferred from the Treasury	$358,634.50	$8,584,118.43
Purchased over the counter	810,216.50	3,958.38
Total	1,168,851.00	8,588,076.81

This represents in new gold coin $1,158,307.57, and in new subsidiary silver coin $8,101,979.26.

Of the subsidiary silver coinage, $9,318,391.40 were coined from worn and uncurrent silver coin transferred from the Treasury for recoinage, and $148,486.25 from silver purchased under provisions of section 3526, Revised Statutes, for the subsidiary silver coinage, on which latter the seigniorage was $86,838.47

Silver balances.

The balance of silver bullion on hand at the mints for the coinage of silver dollars, subsidiary silver coins, and for payment of deposits of silver bullion in fine bars, July 1, 1899, was:

Items.	Fine ounces.	Cost.
Purchased under act of July 14, 1890	93,583,060.04	$84,672,927.27
For subsidiary silver coinage at mints and assay offices	603,281.91	352,036.12
At United States assay office, New York, for payment of deposits in fine bars	441,840.72	490,934.13
Total	94,628,182.67	85,515,897.52

Seigniorage.

Including the balances on hand at the mints July 1, 1878, the net seigniorage on the coinage of silver from that date to June 30, 1899, was $93,789,799.29.

Minor coinage.

Of the minor coins manufactured during the year, $768,409.65 were from new material and $188,500.49 from old and uncurrent minor coins transferred from the Treasury for recoinage.

The total amount of minor coins outstanding July 1, 1899, was $28,077,644.90.

Bars manufactured.

During the fiscal year there were manufactured gold bars of the value of $85,540,910.53, and silver bars, $8,586,710.63.

Silver quotations.

The highest quotation for silver 0.925 fine during the year in the London market was 29 pence, equal to $0.63571 in United States money, per ounce, fine; the lowest quotation was 27 pence, equivalent to $0.59187. The average price for the year was 27.6697 pence, equivalent to $0.60655. The bullion value of the United States standard silver dollar, at the highest price for the year, was $0.49168, and the lowest, $0.45777, and at the average price, $0.46912.

The commercial ratio of gold to silver at the average price was 1 to 34.08.

The number of grains of pure silver at the average price that could be purchased with a United States silver dollar was 791.36, equivalent to 1.64 fine ounces.

Earnings and expenditures.

The expenditures necessary to maintain the various institutions connected with the Mint Service during the fiscal year were $1,554,781.20. The earnings from all sources during the same period were $6,670,630.70, showing a surplus of earnings over expenditures of $5,115,849.50.

Imports and exports.

The net imports of gold during the fiscal year were $51,428,099, as against $104,868,476 for the fiscal year 1898.

The net silver exports were $25,573,817, as against $24,822,146 for the previous fiscal year.

Industrial arts.

The value of gold and silver consumed in the industrial arts by the United States during the calendar year 1898 was: Gold, $13,565,879; silver, coining value, $11,858,545—a total of $25,424,424.

There were consumed in new material, in the manufacture of bars, gold, $9,463,262; silver, $10,176,784.

Metallic stock in the United States.

The total metallic stock in the United States on July 1, 1899, was: Gold, $962,865,505; silver, $639,286,743.

Production of gold and silver.

The estimated production of the precious metals in the United States during the calendar year 1898 was:

Metals.	Fine ounces.	Commercial value.	Coining value.
Gold	3,118,398	$64,463,000	$64,463,000
Silver	54,438,000	32,118,400	70,384,485

The estimated production of the precious metals in the world during the calendar year 1898 was:

Metals.	Fine ounces.	Commercial value.	Coining value.
Gold	13,904,363	$287,428,600	$287,428,600
Silver	165,295,572	97,524,500	213,715,400

World's coinage.

The total coinage of gold and silver by the various countries of the world during the calendar year 1898 was:

Gold	$395,477,905
Silver	149,282,935
Total	544,760,840

The total metallic stock and uncovered paper in the world, as estimated on January 1, 1899, was:

Gold	$4,631,700,000
Full legal-tender silver	3,102,400,000
Limited-tender silver	733,700,000
Total metallic stock	8,467,800,000
Uncovered paper	2,836,300,000
Grand total	11,304,100,000

Legislation recommended.

Deficiencies in the bullion accounts of the mints.—In the annual report for the fiscal year 1898 attention was called to the defects in the bullion accounts of the mints at San Francisco, Philadelphia, New Orleans, and Carson, amounting in the aggregate to $530,681.67. The items embraced in this sum are carried in the accounts of the respective mints named,

and also in the accounts of the Treasurer of the United States, as unavailable assets. There is not even a remote prospect of any part of these sums ever being recovered by the Government. They should not be continued in the accounts year after year as part of the Government's assets. They are not such in any sense of the word, and their inclusion results in a total which is false. The recommendation made last year that Congress relieve the Treasurer of the United States and the respective mints from carrying the amount of these deficits in their accounts is renewed.

Minor coinage metal fund.—Section 3528, Revised Statutes of the United States, provides that "for the purchase of metal for the minor coinage, a sum not exceeding fifty thousand dollars in lawful money of the United States shall be transferred by the Secretary of the Treasury to the credit of the superintendent of the mint at Philadelphia, at which establishment only until otherwise provided by law, such coinage shall be carried on." Experience for several years has shown that the fund $50,000 provided for coinage is inadequate when there is an active demand upon the mint at Philadelphia for such coin, and it is respectfully recommended that Congress provide for increasing from $50,000 to $200,000 the maximum amount the Secretary of the Treasury is authorized to transfer to the credit of the superintendent of the mint at Philadelphia for the purchase of metal for the minor coinage.

Minor coins to be made at San Francisco and New Orleans mints.—Under the provisions of section 3528, Revised Statutes of the United States, the manufacture of the minor coins is restricted to the mint at Philadelphia. It is desirable that this restriction should be removed and authority given by Congress for the coinage of 5-cent nickel and 1-cent bronze pieces by the mints at New Orleans and San Francisco when necessary to supply the demand for such coin from near by States and Territories.

For several years the demand for minor coins from the southwestern and Pacific coast States and Territories has increased from year to year. If authority were given to execute minor coins at the mints at New Orleans and San Francisco, these States could be more readily supplied at a less cost of transportation, without any increase in the appropriations for the support of said mints. Relief, to some extent, would also be afforded the mint at Philadelphia from the great pressure frequently placed upon that institution to supply the demand for such coins.

Equipment of Philadelphia mint.—The new structure to be occupied by the mint at Philadelphia is advancing toward completion, and it is highly desirable that the equipment for it shall be ready to be installed when the building is ready for occupancy. The present mint facilities are inadequate to meet the demands of the country. The stock of gold bullion on hand has been increasing throughout the year, because the metal could not, with the present equipment, be coined as fast as received, although at New Orleans and Philadelphia operations were

conducted overtime during a large part of the year. The deposits of gold are growing annually, and the demand for subsidiary and minor coin is unprecedented. It is, therefore, recommended that an appropriation of $440,000 be made for the purpose of improving the equipment of the mint at Philadelphia.

Building for assay office at Seattle, Wash.—The assay office at Seattle was opened for the receipt of deposits of bullion July 15, 1898, and from that date to June 30, 1899, the value of bullion deposited aggregated $6,550,698.16.

The facility with which this office can be reached from the great mining districts of Alaska, Oregon, Washington, and the Northwest Territory makes it apparent that it will prove to be one of the most important offices in the Mint Service. It is located in a rented building, devoid of provisions for the safe-keeping of the bullion deposited, and it is recommended that Congress authorize the construction of a suitable building for the use of the assay office at Seattle.

ENGRAVING AND PRINTING.

The Bureau having charge of this work has met promptly and in a most satisfactory manner all of the requirements of the public service during the year, notwithstanding the fact that there was an increase equal to nearly 20 per cent in the demands. The aggregate number of sheets delivered during the fiscal year was 112,161,122. The aggregate expenditures were $1,884,441.39. The work has been done economically, although the net average cost per 1,000 sheets during the fiscal year was slightly greater than the previous year.

This increase is the result of the requirement by Congress that certain classes of securities and stamps be printed upon hand instead of power presses, as was done during the prior fiscal year. It has been necessary in accomplishing this work to operate the Bureau beyond the regular hours established for the business of the Department, for the reason that there is not sufficient space in the building to accommodate the full number of presses needed to execute the work within that time. It has been the policy of Congress to prohibit working overtime, and it may be assumed, therefore, that Congress desires to provide the necessary facilities for the execution of the work without resorting to this objectionable feature.

It is, therefore, recommended that an appropriation of at least $100,000 be made for a suitable extension of the Bureau building. An item for this amount and purpose will be added to the annual estimates submitted to Congress for the fiscal year 1901. There will also be submitted an estimate for an appropriation of $115,000 for the construction of a fireproof outbuilding for the Bureau. The reasons for this outbuilding have been so frequently made known to Congress that a repetition of them is not necessary.

The attention of Congress is called to the claims of a meritorious class of employees of the Bureau, whose compensation is meager and

whose services justify an increase. The printers' assistants of the Bureau, whose pay is fixed by law, receive but $1.25 per day, while the other female employees, whose remuneration is fixed by the Secretary of the Treasury, receive an equivalent of from $1.50 to $2 a day. The details of their work are clearly and strongly set forth in the report of the Director of the Bureau. They should receive at least $1.50 per day, and it is recommended that Congress establish this rate.

PUBLIC MONEYS.

The monetary transactions of the Government have been conducted through the Treasurer of the United States, 9 subtreasury officers, and 356 national-bank depositaries. The amount of public moneys held by the bank depositaries on June 30, 1899, including funds to the credit of the Treasurer's general account and United States disbursing officers, was $76,283,655.30, an increase since June 30, 1898, in amount of holdings of $37,540,638.13. Of the bank depositaries, nearly 200 were specially designated to hold funds deposited therewith temporarily, and will be discontinued gradually, as the funds held by them are withdrawn when needed for current disbursements.

NATIONAL BANKS.

During the existence of the system, up to the close of the year ended June 30, 1899, 5,201 national banks have been organized. On the latter date, 3,589 banks were in operation, 1,247 had been placed in voluntary liquidation by shareholders, and 365 placed in the charge of receivers. On June 30, 1898, there were 3,590 banks in existence, showing a net loss during the year of 1 bank. During the past fiscal year, 73 banks were organized, and 67 placed in voluntary liquidation and 8 in charge of receivers.

The authorized capital stock of the banks on June 30 last was $607,871,245, and on June 30, 1898, $630,025,295, showing a decrease during the year of $22,154,050. The national bank circulation outstanding on June 30, 1899, aggregated $241,268,696, of which $205,264,094 was secured by bonds on deposit with the Treasurer of the United States and $36,004,602 by lawful money deposited on account of liquidating and insolvent associations and those reducing circulation. The increase of circulation during the year was $13,451,994.

The capital stock of the 73 banks organized during the year aggregated $14,825,000, divided, with respect to number and capital, by geographical divisions, as follows:

Geographical divisions.	No. of banks.	Capital.
New England States	5	$4,600,000
Eastern States	17	1,185,000
Southern States	18	2,180,000
Central States	26	6,360,000
Western States	6	350,000
Pacific States (California)	1	150,000

The number of banks organized was as follows, by States: Pennsylvania, 9; Texas, Ohio, and Iowa, 7 each; New York, 6; Illinois, 4; Massachusetts, Kentucky, Indiana, and Missouri, 3 each; New Hampshire, North Carolina, Mississippi, Nebraska, and Indian Territory, 2 each; New Jersey, Delaware, Virginia, West Virginia, South Carolina, Louisiana, Michigan, Wisconsin, Kansas, Oklahoma, and California, 1 each.

Beginning with July 12, 1882, and terminating on June 30, 1899, the corporate existence of 1,684 national banks, with capital stock aggregating $408,936,115, was extended, and during the past fiscal year the number of extensions and capital were 24 and $2,525,000, respectively.

During the past fiscal year 13 national banks, with capital aggregating $2,005,000, were placed in charge of receivers. Subsequently it appeared, however, that of this number 5 were solvent, 2 of them being permitted to go into voluntary liquidation and 3 resumed business. This reduced the number of insolvent banks to 8, with capital aggregating $750,000.

Reports of condition were received from 3,583 national banks on April 5, at which time their resources aggregated $4,639,138,160.36, an increase since May 5, 1898, of $769,171,302.15. The paid-in capital stock aggregated $607,262,570; surplus fund, $246,169,893.65; individual deposits, $2,437,223,420.29; and bank deposits, $932,348,264.76. The increase in individual and bank deposits during the year was $437,914,981.33 and $262,500,580.69, respectively. During the same period the banks increased their specie holdings $46,979,780.05.

LOANS AND CURRENCY.

The interest-bearing debt July 1, 1899, included unmatured United States bonds outstanding in the amount of $1,046,010,920. This is an increase of $198,684,970 over the amount outstanding July 1, 1898, and is caused by the issue of the 3 per cent ten-twenty loan authorized by act of Congress approved June 13, 1898, amounting to $198,678,720, and by the conversion of refunding certificates of the act of February 26, 1879, into bonds of the 4 per cent loan of 1907, amounting, principal and interest, to $6,250.

The total amount of refunding certificates outstanding July 1, 1899, was $37,830, a decrease of $3,690 during the last fiscal year. As the amount of these certificates outstanding is small, and as there is no provision of law for their redemption except by conversion in sums of $50 and multiples thereof into the bonds of the 4 per cent loan of 1907, it is again recommended that Congress limit the time within which such certificates may be converted into bonds. It is also recommended that the Secretary of the Treasury be authorized to redeem any of such certificates in cash, on presentation, and to pay the accrued interest thereon to date of redemption.

The history of the Department shows that during the last eight years it has been impossible, for want of sufficient revenue, to comply with the provisions of section 3694, Revised Statutes, relating to the sinking

fund. The first four months of the current fiscal year produced a surplus in the revenues of about $7,000,000, and the indications are strong that there will be a surplus at the end of the year of $40,000,000. Under these conditions, the Secretary, November 15, 1899, offered to purchase during the month of November, $25,000,000 of the bonds of the 4 per cent funded loan of 1907, or of the 5 per cent loan of 1904, at the current market price. Holders of such bonds availed themselves of the terms of the offer to the amount of $18,408,600, and the Department to that extent has been enabled to comply with the provisions of the sinking fund law. The above bonds were purchased at a premium of $2,263,521, and the net saving to the Government in interest through these operations amounted to substantially $2,885,000.

The full amount of $25,000,000 not having been tendered within the time prescribed, the Department announced its readiness to purchase the remainder (approximately $7,000,000) upon the same terms until and including December 23, 1899.

The changes in the amounts of the several kinds of money in the United States, outside the Treasury, between November 1, 1898, and November 1, 1899, are shown in the following table. The estimated population of the United States November 1, 1898, was 75,059,000, and the per capita supply of money outside the Treasury was $24.87. The estimated population and per capita supply of money November 1, 1899, were 76,699,000 and $25.60, respectively.

Comparative statement showing the changes in circulation.

	In circulation Nov. 1, 1898.	In circulation Nov. 1, 1899.	Decrease.	Increase.
Gold coin	$649,846,727	$634,650,733	$15,195,994	
Standard silver dollars	63,437,255	71,361,740		$7,924,485
Subsidiary silver	68,878,952	76,173,164		7,294,212
Gold certificates	55,788,390	148,042,000		92,254,610
Silver certificates	301,177,675	304,976,339		3,798,664
Treasury notes, act July 14, 1890	96,555,780	88,880,894	7,674,886	
United States notes	306,301,620	317,264,666		10,963,046
Currency certificates, act June 8, 1872	20,035,000	13,735,000	6,300,000	
National bank notes	234,969,964	239,067,193		4,097,229
Totals	1,866,575,782	1,993,716,148	29,191,880	126,332,246
Net increase				97,140,366

FOREIGN COMMERCE.

The commerce of the year has been marked by three especially notable characteristics: First, a continuation of the phenomenal exports of last year; second, a moderate increase in importations; and, third, the combined imports and exports form the largest total ever shown by a single year in the history of our foreign commerce.

The total imports of merchandise during the year were $697,148,489, as compared with $616,049,654 in the fiscal year 1898, and $764,730,412 in the fiscal year 1897, being less than in any fiscal year since 1887, except 1894, when importations were being held back to obtain advantage of an expected reduction in tariff, and 1898, when they were abnormally low because of excessive importations in the preceding

year in anticipation of an increased tariff. The exportations of 1899 were $1,227,023,302, as against $1,231,482,330 in the fiscal year 1898, and $1,050,993,556 in 1897, being the fourth year in our history in which the exports exceeded a billion dollars, and falling but $4,459,028 below those of the phenomenal year 1898, when the supply of breadstuffs abroad was unusually short, and that of the United States unusually large. The total of our foreign commerce for the fiscal year 1899 thus stands at $1,924,171,791, or $66,491,181 greater than in any preceding year.

Our foreign commerce has much more than doubled since 1870, the total of the imports and exports combined being in 1870 but $828,730,176, while those of 1899 were $1,924,171,791, and seem likely in the year 1900 to pass the two billion dollar line. This remarkable growth has been chiefly on the side of exports, the imports of 1899 being but 60 per cent in excess of those of 1870, while the exports of 1899 are 212 per cent greater than those of 1870. This comparison of the increase in our imports and exports is especially interesting when considered in connection with the growth of population. The population in 1870 was 38,558,371 and that in 1899 is estimated by the Actuary of the Treasury at 76,148,000. It will be seen that while the population from 1870 to 1899 has doubled, the imports have increased but 60 per cent and the exports 212 per cent, showing the rapid increase in the capacity of the citizen of the United States to supply his own requirements and to contribute to those of other parts of the world. The average importations per capita in 1870 were $11.30, and in 1899 $9.15, while the average exports per capita in 1870 were $10.19 and in 1899 $16.12. In other words, the imports per capita are now 20 per cent less than in 1870, while the exports per capita are 58 per cent greater than in 1870.

Importations naturally fall into three great groups—manufactured articles for consumption, articles for use of the manufacturers, and food stuffs of the class which can not be produced at home. In nearly all articles included in the first-mentioned class, manufactured articles, there has been little increase during the thirty years under consideration, although the consuming population has doubled meantime, the increase of 60 per cent in our importations during that time having been chiefly in articles for use in manufacturing and in food stuffs of a class which can not be produced at home. In the largest items of manufactures imported, woolen goods and iron and steel, there has been a marked reduction, while in the other principal items of manufacture, those from cotton, silk, fibers, leather, and earthenware, the increase has been far below the increase of population and also below the average increase of 60 per cent shown in the total importations of 1899 compared with 1870. In articles for use of manufacturers the growth has been rapid. Importations of raw silk for use of the manufacturers increased from $3,017,958 in value in 1870 to $32,479,627 in 1899, an increase of

976 per cent; india rubber, crude, from $3,459,665 in 1870 to $31,707,630 in 1899, an increase of 822 per cent; fibers for use in manufacturing, from $6,043,102 in 1870 to $20,300,093 in 1899; hides and skins, from $14,402,339 in 1870 to $42,000,403 in 1899; tin, chiefly for use in manufacturing tin plate, from $1,984,238 in 1870 to $11,843,357 in 1899; and unmanufactured tobacco, from $2,533,672 in 1870 to $9,900,253 in 1899. In the class of food stuffs which are not produced at home in sufficient quantities to meet requirements, especially those of tropical growth, the increase has also been strongly marked. Sugar increased from $69,827,884 in 1870 to $94,964,120 in 1899; coffee, from $24,234,879 in 1870 to $55,275,470 in 1899; and fruits and nuts, from $7,416,592 in 1870 to $18,314,206 in 1899. In material for use of manufacturers, the growth between 1895 and 1899 is especially marked. India rubber imports, which in 1895 were $18,353,121, were in 1899 $31,707,630; unmanufactured silk increased from $22,626,056 in 1895 to $32,479,627 in 1899; unmanufactured fibers, from $13,282,081 in 1895 to $20,300,093 in 1899; and tin in pigs, bars, etc., from $6,787,424 in 1895 to $11,843,357 in 1899.

In exportations the record of the fiscal year 1899 is especially gratifying. The phenomenally large exports of 1898, due in a considerable degree, as it was believed, to the shortage of crops in other parts of the world, and the consequently large demand and high prices enjoyed by the producers of the United States, seemed to justify the expectation that the year 1899, with bountiful crops in other parts of the world and the consequent fall in prices and in demand upon the United States, would fall materially below 1898 in its exportations. But this expectation has not been realized. The exports of the fiscal year 1899 were but $1,459,028 below those of 1898. The fact that the exportations of the year just ended have reached a figure so nearly equal to that of the extraordinary year which preceded it, and that this has occurred in the face of a large reduction in export prices of grain and a material reduction in the demand for our breadstuffs, justifies a somewhat detailed analysis of the year's exports, compared with the preceding and earlier years. Agricultural products, as was expected by reason of the plentiful supply of food stuffs abroad, fell off in exportations from $853,683,570 in 1898 to $784,776,142 in 1899, and formed but 65.19 per cent of the total exports, against 70.54 per cent in 1898, forming a smaller percentage of our total exports than in any year since 1870. The fact that our total exports continue far above those of any earlier year excepting 1898, in the face of this reduction in agricultural exports, is thus especially interesting and suggestive. Of the other classes of products exported, those of the mines, the forest, and the fisheries are no greater than at certain other periods in the history of our exportations, and it is, therefore, to manufactures that we must look for the increase which has kept the total of our exports up to practically the same figure as that of the phenomenal year 1898, and much above that of any preceding

year. An examination of the figures of our exports of domestic manufactures justifies this expectation. For the year 1899 they were $339,592,146, or 28.21 per cent of our total exports, against $290,697,354 in 1898, $183,595,743 in 1895, $151,102,376 in 1890, $102,856,015 in 1880, and $68,279,764 in 1870. The exports of manufactures in 1899 are not only larger than in any year in our history by $48,000,000, but form by far the largest annual percentage that manufactures have ever formed of the total exports. Our exports of manufactures in 1898 and 1899 for the first time exceeded the imports of manufactures, the excess of exports being, in 1898, $60,706,123, and in 1899, $76,333,587.

The commerce of the past year with the islands which have recently come into closer relations with the United States has shown a marked growth both in imports and exports. The classes of agricultural productions, for which the United States relies, and in most of them must continue to rely, upon tropical countries, form a large proportion of our natural and necessary imports. Our importations of coffee, sugar, tropical fruits, tobacco of high grade, hemp, jute, etc., with sundry other miscellaneous products of tropical climates, average $250,000,000 annually, and all of these are produced in greater or less degree in the islands in question, while they in turn must rely upon the temperate zones for their supplies of wheat and flour, provisions, clothing, and manufactures of various classes. As a result, the commerce between the United States and these islands is already showing a marked growth, and there is every reason to believe that it will continue to increase. Our imports from Porto Rico in 1899 were $3,179,827 in value, against $2,414,356 in 1898, and $2,181,024 in 1897; from Cuba, the imports were $25,408,828 in the fiscal year 1899, against $15,232,477 in 1898, and $18,406,815 in 1897; from Hawaii, the imports were $17,831,463, against $17,187,380 in 1898, and $13,687,799 in 1897; and from the Philippine Islands the imports were $4,409,774, against $3,830,415 in 1898, and $4,383,740 in 1897. Our exports to Porto Rico in the fiscal year 1899 were $2,685,848, against $1,505,946 in 1898, and $1,988,888 in 1897; those to Cuba, $18,616,377, against $9,561,656 in 1898, and $8,259,776 in 1897; those to Hawaii, $9,305,470, against $5,907,155 in 1898, and $4,690,075 in 1897; and those to the Philippine Islands, $404,193, against $127,804 in 1898, and $94,597 in 1897, exclusive of articles shipped to those islands by the Government for Army and Navy use.

Imports into and exports from the United States in its commerce with Porto Rico, Cuba, Hawaii, and the Philippine Islands during the years ended June 30, 1897, 1898, and 1899.

Year.	Porto Rico.		Cuba.		Hawaiian Islands.		Philippine Islands.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
1897...	$2,181,024	$1,988,888	$18,406,815	$8,259,776	$13,687,799	$4,690,075	$4,383,740	$94,597
1898...	2,414,356	1,505,946	15,232,477	9,561,656	17,187,380	5,907,155	3,830,415	127,804
1899...	3,179,827	2,685,848	25,408,828	18,616,377	17,831,463	9,305,470	4,409,774	404,193

The principal features of the foreign commerce of the fiscal year 1899, compared with those of 1897 and 1898, are shown by the following table:

Classes.	Year ended June 30— 1897.	1898.	1899.	+, increase; −, decrease.
Imports:				
Merchandise: Free	$381,938,243	$291,414,175	$300,279,810	+$8,865,635
Dutiable	[illegible]	[illegible]	[illegible]	[illegible]
Total	764,730,412	616,049,654	697,148,489	+81,098,835
Per cent dutiable	50.1	52.4	56.93	
Gold	85,011,780	120,391,674	88,954,603	−31,437,071
Silver	30,533,227	30,927,781	30,675,056	− 252,725
Exports:				
Merchandise: Domestic	1,032,007,603	1,210,291,913	1,203,931,222	− 6,360,691
Foreign	18,985,953	21,190,417	23,092,080	+ 1,901,663
Total	[illegible]	[illegible]	[illegible]	[illegible]
Gold	40,361,580	15,406,391	37,522,086	+22,115,695
Silver	61,946,638	55,105,239	56,319,055	+ 1,213,816
Imports of merchandise for consumption	789,251,030	587,153,709	685,441,592	+98,288,192
Duties paid on merchandise	172,760,361	149,819,594	202,072,050	+52,252,426
Ad valorem duties:				
On dutiable ....per cent	42.41	49.20	52.38	
On free and dutiable ....do	21.89	24.77	29.48	
Tonnage:				
Entered in the foreign trade....tons	23,760,250	25,579,399	26,110,813	+ 531,414
Cleared in the foreign trade....do	23,808,797	25,718,232	26,235,968	+ 517,736

The following shows the importations by classes for the year 1899, compared with those of 1896, 1897, and 1898:

Imports by classes.

Classes.	Year ended June 30— 1896.	1897.	1898.	1899.
Free of duty:				
Articles of food and live animals	$123,674,270	$124,012,968	$105,072,254	$86,470,232
Articles in a crude condition for domestic industry	186,417,181	194,564,240	155,251,519	175,565,916
Articles manufactured—				
For mechanic arts	29,854,940	29,864,421	17,391,491	20,053,393
For consumption	20,496,034	24,750,275	9,241,512	9,747,432
Articles of voluntary use, luxuries, etc	9,315,045	8,746,339	4,457,399	5,442,837
Total free of duty	369,757,470	381,938,243	291,414,175	300,279,810
Dutiable:				
Articles of food and live animals	113,350,775	121,153,211	76,528,984	121,927,100
Articles in a crude condition for domestic industry	22,951,536	20,352,385	49,205,666	47,115,767
Articles manufactured—				
For mechanic arts	64,878,779	57,309,091	52,576,492	40,190,484
For consumption	124,778,005	109,624,851	73,329,175	98,065,760
Articles of voluntary use, luxuries, etc	84,008,109	74,352,631	72,995,162	89,569,568
Total dutiable	409,967,204	382,792,169	324,635,479	396,868,679
Free and dutiable:				
Articles of food and live animals	237,025,045	245,166,179	181,601,238	211,397,332
Articles in a crude condition for domestic industry	209,368,717	214,916,625	204,457,185	222,681,683
Articles manufactured—				
For mechanic arts	94,733,719	87,173,512	69,967,983	60,243,877
For consumption	145,274,039	134,375,126	82,570,687	107,813,192
Articles of voluntary use, luxuries, etc	93,323,154	83,098,970	77,452,561	95,012,405
Total imports	779,724,674	764,730,412	616,049,654	697,148,489

The following shows the exportations by sources of production for 1899, compared with those of 1896, 1897, and 1898:

Domestic exports, according to sources of production.

Classes.	Year ended June 30—			
	1896.	1897.	1898.	1899.
Agriculture	$569,879,297	$683,471,139	$853,683,570	$784,776,142
Manufactures	228,571,178	277,285,391	290,697,354	339,592,146
Mining	20,045,654	20,804,573	19,410,707	28,156,174
Forest	33,718,204	40,489,321	37,900,171	42,126,889
Fisheries	6,850,392	6,477,951	5,435,483	5,992,999
Miscellaneous	4,135,762	3,479,228	3,164,628	3,286,872
Total	863,218,487	1,032,007,603	1,210,291,913	1,203,931,222

The following shows the imports and domestic exports of the last fiscal year, compared with 1896, 1897, and 1898, by grand divisions:

Imports by grand divisions.

Grand divisions.	Year ended June 30—			
	1896.	1897.	1898.	1899.
Europe	$418,639,121	$430,192,205	$305,933,691	$353,884,534
North America	126,877,126	105,924,053	91,376,807	112,150,911
South America	108,328,462	107,389,405	92,091,694	86,587,893
Asia	89,592,318	87,294,597	92,594,593	107,091,214
Oceanica	24,614,668	24,400,439	26,859,230	26,997,877
Africa	11,172,979	9,529,713	7,193,639	10,436,060
Total	779,724,674	764,730,412	616,049,654	697,148,489

Domestic exports by grand divisions.

Grand divisions.	Year ended June 30—			
	1896.	1897.	1898.	1899.
Europe	$673,043,753	$813,385,644	$973,806,245	$936,602,093
North America	116,567,496	124,958,461	139,627,841	157,931,707
South America	36,297,671	33,768,646	33,821,701	35,659,902
Asia	25,630,029	39,274,905	44,707,791	48,360,161
Oceanica	17,197,229	22,652,773	22,003,022	29,875,015
Africa	13,870,760	16,953,127	17,515,730	18,594,424
Total	882,606,938	1,050,993,556	1,231,482,330	1,227,023,302

Distribution of the commerce of the United States, by leading countries and grand divisions of the globe, during the year ended June 30, 1899.

Countries.	Imports.	Per cent of total.	Exports.	Per cent of total.	Imports and exports.	Per cent of total.	Excess of exports or imports.
United Kingdom	$118,488,217	17.00	$511,778,705	41.71	$630,266,922	32.76	a $393,290,488
Germany	84,225,777	12.09	155,772,179	12.70	239,997,956	12.48	a 71,546,402
France	62,146,056	8.93	60,596,899	4.94	122,742,955	6.38	b 1,549,157
Italy	24,832,746	3.56	25,034,940	2.04	49,867,686	2.59	a 202,194
Netherlands	14,457,620	2.08	79,305,998	6.46	93,763,618	4.87	a 64,848,378
Switzerland	14,826,480	2.13	267,732	.02	15,094,212	.78	b 14,558,748
Belgium	10,552,030	1.52	44,158,033	3.60	54,710,063	2.84	a 33,606,003
Other Europe	24,356,258	3.46	59,687,607	4.86	84,043,865	4.37	a 35,331,349
British North America	31,603,435	1.54	89,578,475	7.30	121,181,910	6.30	a 57,975,040
West Indies: Cuba and Porto Rico	28,588,655	4.10	20,699,745	1.69	49,288,400	2.56	b 7,888,910
Other West Indies	18,977,756	2.72	15,425,423	1.26	34,403,179	1.79	b 3,552,333
Mexico	22,905,772	3.30	25,480,122	2.07	48,475,894	2.52	a 2,484,350
Central American States	9,205,345	1.32	4,987,854	.41	14,193,199	.74	b 4,217,491
Other North America	779,298	.11	1,759,888	.14	2,539,186	.13	a 980,590
Brazil	57,875,747	8.30	12,239,036	1.00	70,114,783	3.64	b 45,636,711
Argentina	5,112,561	.73	9,563,510	.78	14,676,071	.76	a 4,450,949
Colombia	5,126,731	.74	3,042,094	.25	8,168,825	.43	b 2,084,637
Guianas	5,189,145	.75	2,377,592	.19	7,566,737	.39	b 2,811,553
Venezuela	6,507,847	.93	2,851,634	.23	9,359,481	.49	b 3,656,213
Other South America	6,775,862	.97	5,600,236	.46	12,376,098	.64	b 1,175,626
Japan	26,716,814	3.83	17,264,688	1.41	43,981,502	2.28	b 9,452,126
China	18,619,268	2.67	14,493,440	1.18	33,112,708	1.72	b 4,125,828
East Indies: British	32,560,312	4.67	4,341,936	.35	36,902,248	1.92	b 28,218,376
Dutch	21,313,945	3.06	1,534,973	.13	22,848,918	1.19	b 19,778,972
Other Asia	7,880,875	1.13	10,711,124	.87	18,591,999	.97	a 2,830,249
Hawaiian Islands	17,831,463	2.56	9,305,470	.76	27,136,933	1.41	b 8,525,993
Philippine Islands	4,409,774	.63	404,193	.03	4,813,967	.25	b 4,005,581
British Australasia	3,502,402	.50	19,707,129	1.60	23,209,531	1.20	a 16,204,727
Other Oceanica	1,254,238	.18	458,223	.04	1,712,461	.09	b 796,015
Egypt	7,489,929	1.08	494,196	.04	7,984,125	1.09	b 6,995,733
Other Africa	2,946,131	.42	18,100,228	1.48	21,046,359	.42	a 15,154,097
Total	697,148,489	100	1,227,023,302	100	1,924,171,791	100	a 529,874,813

RECAPITULATION BY GRAND DIVISIONS.

Europe	353,885,184	50.76	936,602,093	76.33	1,290,487,277	67.07	a 582,716,909
North America	112,150,261	16.09	187,931,507	12.87	270,081,768	14.04	a 45,781,246
South America	86,587,893	12.42	35,674,102	2.91	122,261,995	6.35	b 50,913,791
Asia	107,091,214	15.36	48,346,161	3.94	155,437,375	8.08	b 58,745,053
Oceanica	26,997,877	3.87	29,875,045	2.43	56,872,892	2.95	a 2,877,138
Africa	10,436,060	1.50	18,594,424	1.52	29,030,484	1.51	a 8,158,364

a Excess of exports. a Excess of imports.

CUSTOMS.

Reorganization of districts.

Attention is again invited to previous recommendations relative to the reorganization of customs districts and the discontinuance of useless ports, at which unnecessary expense is incurred.

Special agents.

The special agents of the Department during the past fiscal year have examined and reported upon the customs business transacted in 55 customs districts, as prescribed by section 2649 of the Revised Statutes, and have made numerous recommendations for the improvement and more economical conduct of the customs service. They have also

investigated the undervaluation of articles of imported merchandise, charges against officers, smuggling, and other irregularities, and have rendered valuable service in connection with the administration of the customs laws. The annual report of the Supervising Special Agent will give in detail a statement of such services.

Undervaluations.

The subject of undervaluation of imported merchandise still requires constant attention. Many complaints upon the subject are received and investigated, and large sums, representing increased and penal duties on account of undervaluations, have been collected during the past year. As the result of the inquiries conducted in Europe by a special agent, increased duties on one line of merchandise alone, accruing on advances made by appraising officers, amounted to nearly $150,000, and it is estimated that by reason of increased valuations made by importers in their invoices, the direct result of such investigation, the customs revenue has been increased over $800,000 per annum on this one class of merchandise.

Smuggling.

There have been a number of unusually large seizures of smuggled merchandise, chiefly precious stones, and constant vigilance is exercised to detect and prevent such irregularities.

Board of General Appraisers.

For a detailed account of the work of the Board of United States General Appraisers, reference is made to its annual report for the twelve months ended September 30, 1899.

The Board calls attention to the fact that at the close of the year there were 41,514 protests suspended, awaiting the decision of courts on analogous issues. About nine-tenths of these protests are against the decision of the collector at the port of New York. In 20,000 of the suspended protests only about a dozen issues are involved, and the total number of issues, covering the whole number of suspended protests, will probably not exceed 100, so that the decision of about 100 suits by the courts would enable the Board to dispose of all the suspended protests within a period of a few months. For the purpose of reaching a speedy disposition of these cases, the Board suggests that the appointment of an additional circuit judge be authorized, who shall sit at the port of New York to decide customs cases.

ALASKA.

The law relating to the introduction and sale of liquors in Alaska (*a*) was held by the Solicitor of the Treasury to have been repealed by the act of March 3, 1899, which provided for the licensed sale of liquors in

a Sec. 1955, Rev. Stat.; sec. 14, act May 17, 1884; Dept. Regs., February 26, 1885, March 12, 1892, and June 24, 1898.

the Territory, and which went into effect on July 1, 1899. During the past fiscal year, through the customs officers stationed in Alaska, all possible efforts have been made to enforce the prohibitory law. Numerous seizures of liquors attempted to be smuggled into Alaska have been made, and all applications for the privilege of taking liquors into that Territory for medicinal, mechanical, and scientific purposes have been referred to the collector of customs at Sitka, who was clothed with the authority to grant such privileges.

The exceptional and rapid development of mining and other industries and the sudden increase of the population of the Territory have made the enforcement of the prohibitory law very difficult, and the repeal thereof has relieved this Department of duties in connection therewith that seemed almost impossible of efficient performance. On July 23, 1898, it was found necessary to promulgate an opinion of the Attorney-General, to the effect that the sale of liquors on board steamers in Alaskan waters was a violation of the then existing laws and regulations, and the collector of customs at Sitka was instructed to adopt such measures as might be necessary to secure the observance of the law by all vessels in his collection district. The officers of the Department at Pacific coast ports were required to inspect cargoes of vessels bound for Alaska and to seize all liquors intended for illegal introduction into the Territory. Liquors smuggled into Alaska and seized by the customs officers were required to be shipped to Portland, Oreg., for sale. Notwithstanding the efforts made to prevent the irregularities referred to, it is believed that large quantities of liquors were smuggled into Alaska, until the act of March 3, 1899, became effective and removed the prohibition. This act, which provides a license system, has greatly reduced the number of liquor saloons in the Territory.

Salmon fisheries.

A preliminary report from the agent for the protection of the salmon fisheries of Alaska shows that he has been able, by means of transportation afforded by a revenue cutter, to make a more thorough inspection of the salmon fisheries in the Territory than heretofore. The output of the canneries this season will more than equal that of preceding years, notwithstanding there was a considerable decrease in the number of fish taken at Karluk and Uyak Bay. These fisheries are threatened with destruction, unless they are closed to fishing for a term of years, which would require Congressional action. The total salmon product of Alaska for the season of 1899 will exceed 1,000,000 cases, which is nearly 150,000 cases in excess of the product of any former year, and the revenue derived therefrom by the Government, under the provision of the act of March 3, 1899, which imposes a tax of 4 cents per case on salmon taken and canned in Alaska, will amount to about $40,000 during the season just closed. Violations

of law relating to the salmon fisheries have been reported to the United States attorney for the district of Alaska, and the canneries have been notified to discontinue illegal practices at various points.

The agent also reports that the wasteful methods that prevail among the canneries in Alaska, resulting from the rivalry of competing concerns, and the wanton destruction of the salmon, threaten the fisheries of the Territory. He suggests as a remedy that the product of each cannery be limited, to be based upon an average ascertained catch, and that the maintenance of hatcheries by the canneries be made obligatory. He also urges that an extensive Government hatchery be established and maintained at a central location.

The agent also reports that the natives of Afognak Island, a Government reservation, are threatened with destitution, on account of the operations of the fish canneries at that point in violation of the terms of the President's proclamation of December 24, 1892, for which no penalty is provided. He suggests that a proper penalty be provided for violations of the Executive order relating to the Afognak reservation, and that an appropriation of $200 be made to provide the natives with nets for the taking of salmon for domestic use; otherwise they are likely to become destitute.

The necessity for additional legislation for the protection of the fisheries of Alaska is commended to the attention of the Congress.

Seal herd.

The pelagic catch of the British sealing fleet, comprising 41 vessels, during the year 1897 amounted to 30,410 skins, including 1,018 skins taken by the Indians in canoes. Of this number, 5,082 were taken on the coast of British Columbia and 15,607 in Bering Sea, the remainder being obtained on the Japan coast and in other waters.

During the year 1898, 35 British vessels engaged in pelagic sealing. Their catch on the coast of British Columbia was 9,646, and in Bering Sea 16,943. Their total catch during the year, including 1,100 skins taken by Indians in canoes, was 28,552. A much smaller number of skins was taken on the Japan coast and in the vicinity of Copper Island than in 1897; in fact, the assault of the sealing fleet was almost exclusively concentrated on the Alaskan herd. The continued diminution of the seal herd, attributable to the destruction of the females at sea by pelagic sealers, is evidenced by the fact that only 16,812 skins were taken on the seal islands during the year 1899, notwithstanding the quota was fixed at 30,000, whereas in 1898, 18,047 young male seals were killed on the islands.

While the final report of the agent in charge of the seal islands for the season of 1899 has not yet been received, it is learned that the condition of the rookeries shows a continued decline in the herd. This is also indicated by the decreased catch on the islands, as previously noted. The agent was instructed, in accordance with the provisions of section

177 of the act of March 3, 1899, to confine the killing of the quota seals to the months of June, July, September, and October, and to use every precaution to prevent injury to the herd. Male seals only have been killed on the islands during many years past, and there is always a sufficiency of males reserved for breeding purposes, so that the constant diminution of the herd, indicated by the number of skins taken each year on the seal islands, is attributable only to the killing of females in the North Pacific Ocean and Bering Sea. Only one American vessel engaged in pelagic sealing during the current year, and her official log, on file in the custom-house at San Francisco, shows that she took 227 fur-seal skins in the vicinity of the Galapagos Islands, outside of the prohibited area. The Government's income from this year's catch will be about $120,000.

Reports from the seal islands indicate that the natives are steadily improving in health and efficiency by reason of the care they are receiving at the hands of the Government in the matter of food, fuel, and clothing. The annual appropriation of $19,500, added to the earnings of the natives, has been found, therefore, sufficient to give them the necessaries of life. The natives are not permitted to spend their earnings without supervision, but they are disbursed for them on the written orders of the Government officers, as in the case of the appropriation. How long, under the continued depletion of the herd, the present amount of appropriation will be adequate for their support remains to be seen.

Under the authority contained in the sundry civil act of March 3, 1879, 9 islands in Alaska have been leased to individuals, upon the payment of the sum of $100 per annum as rental for each, for the purpose of raising foxes thereon, and the receipts from this source during the last fiscal year amounted to $900.

INTERNAL REVENUE.

The receipts from the several objects of taxation under the internal-revenue laws for the fiscal years ended June 30, 1898 and 1899, were as follows:

Receipts from internal revenue, 1898 and 1899.

Objects of taxation.	Fiscal years ended June 30—		Increase.
	1898.	1899.	
Distilled spirits	$92,546,999.77	$99,283,534.16	$6,736,534.39
Manufactured tobacco	36,230,522.37	52,493,207.64	16,262,685.27
Fermented liquors	39,515,421.14	68,644,558.45	29,129,137.31
Oleomargarine	1,315,780.54	1,956,618.56	640,838.02
Filled cheese	16,518.55	18,098.42	1,579.87
Mixed flour	.....	7,840.62	7,840.62
Special taxes not elsewhere enumerated	46,973.00	4,921,593.21	4,874,620.21
Legacies and distributive shares of personal property	.....	1,235,435.25	1,235,435.25
Schedules A and B	794,417.60	43,837,818.66	43,043,401.06
Miscellaneous collections	400,186.39	1,085,868.47	685,682.08
Total	170,866,819.36	273,484,573.44	102,617,754.08

A detailed statement of the receipts and expenditures will be found in the report of the Commissioner of Internal Revenue.

The amounts given as receipts are those actually collected during the fiscal years mentioned; but in many cases the money collected on the last day of June is not deposited until the first day of July, thus causing a discrepancy between the collections and deposits for the year.

The total cost of collection for the fiscal year ended June 30, 1899, was $4,591,754.90; the total cost of collection for the fiscal year ended June 30, 1898, was $3,907,010.50, showing an increase for the fiscal year ended June 30, 1899, of $684,744.40.

The percentage cost of collection for the fiscal year ended June 30, 1899, was 1.68 per cent, as against 2.29 per cent for the fiscal year ended June 30, 1898.

The total production of distilled spirits, exclusive of fruit brandies, for the fiscal year ended June 30, 1899, was 97,064,565 taxable gallons; the total production for the fiscal year ended June 30, 1898, was 80,762,213 taxable gallons, showing an increase in production for the fiscal year just ended of 16,302,352 gallons. There were also produced 210,188 gallons of apple brandy, 40,781 gallons of peach brandy, 2,843,718 gallons of grape brandy, 731 gallons of pear brandy, 112 gallons of berry brandy, and 2,239 gallons of prune brandy, making a total production of 3,097,769 gallons from fruits during the year.

A further comparison of the two fiscal years shows a decrease of 217,154 gallons in the production of apple brandy, an increase of 7,101 gallons in the production of peach brandy, an increase of 400,355 gallons in the production of grape brandy, an increase of 550 gallons in the production of pear brandy, a decrease of 190 gallons in the production of apricot brandy, a decrease of 49 gallons in the production of berry brandy, and an increase of 958 gallons in the production of prune brandy, for the fiscal year ended June 30, 1899, an aggregate increase of 191,571 gallons produced from fruits as compared with the previous fiscal year.

The quantity of distilled spirits gauged during the fiscal year ended June 30, 1899, was 318,503,686 gallons; the quantity gauged during the fiscal year ended June 30, 1898, was 287,522,075 gallons, making an increase for the year just ended of 30,981,611 gallons.

During the fiscal year ended June 30, 1899, 3,922 distilleries of all kinds were operated. For the preceding fiscal year 4,720 distilleries of all kinds were operated, a decrease of 798 for the year just ended.

During the fiscal year ended June 30, 1899, there were produced 36,697,634 barrels of beer; the number of barrels produced during the fiscal year ended June 30, 1898, was 37,529,339, making a decreased production for the year just ended of 831,705 barrels.

For the fiscal year ended June 30, 1899, the total receipts from the taxes on tobacco, cigars, cigarettes, snuff, etc., were $52,493,207.64. The receipts from the same sources for the fiscal year ended June 30,

1898, were $36,230,522.37, showing an increase of $16,262,635.27 for the year ended June 30, 1899.

DISTRICT OF COLUMBIA.

The net expenditures on account of the District of Columbia for the fiscal year 1899 were $6,735,039.16. The net revenues deposited in the Treasury on this account for the same period were $4,060,226.74.

Under the operations of the sinking funds, the net reduction of the bonded debt during the year was $149,900, and of the annual interest charge, $5,252.50.

The water-stock bonds outstanding amount to $343,000. The bonds of the old funded debt retired with the sinking fund provided for this loan amount to $342,950, and there remains to be purchased with an unexpended balance in this fund one bond for $50, to equal in amount the water-stock bonds outstanding.

The Treasurer estimates that the total appropriations required for interest and sinking fund for the water-stock bonds from July 1, 1878, to the date of their maturity will aggregate $873,752.46. If no provision had been made for a sinking fund for these bonds, they would have cost for the same period for interest and redemption of the principal at maturity $1,129,422.50. The difference in favor of the sinking fund is, therefore, $255,670.04.

The act of Congress approved March 1, 1899, entitled "An Act to provide for the disposition of assessment certificates of the District of Columbia, and for other purposes," directed the Treasurer to deliver to the Commissioners of the District all assessment certificates remaining in his custody issued for unpaid assessments for special improvements, and to deposit in the Treasury as general revenues of the District all moneys in his custody derived from special-improvement taxes, except the amount necessary to pay outstanding 8 per cent certificates of indebtedness and coupons therefrom called for payment prior to the act of Congress approved August 13, 1894, entitled "An Act to provide for the payment of the eight per centum green-back certificates of the District of Columbia, and for other purposes."

In compliance with the provisions of this act, the Treasurer delivered to the Commissioners all assessment certificates remaining in his custody, and forwarded to them a check for $7,607.11 for account of the general revenues of the District, and retained $1,000 to pay outstanding 8 per cent certificates and coupons, as provided in the act.

Detailed information in regard to the affairs of the District of Columbia will be found in the report to be submitted by the District Commissioners and by the Treasurer of the United States, ex officio Commissioner of the sinking fund of the District.

PUBLIC BUILDINGS.

Previous reports of the Supervising Architect of this Department covered a period ending September 30 of each year, while the current

report is under date of June 30, 1899, involving only nine months. Succeeding reports will embrace one year ending June 30.

The following statement of buildings completed and occupied, in course of erection, and those not yet commenced is based on the report of the Supervising Architect above referred to, and is brought down to June 30 of this year; but attention is called to the fact that since that time the public buildings at Paterson, N. J., Pottsville, Pa., St. Albans, Vt., Savannah, Ga., and Washington, D. C. (post-office), have been completed and occupied, while work on the erection of the United States post-office at Newport, Ky., and extensions to the buildings at Canton, Ohio, Chicago, Ill. (temporary post-office), and Minneapolis, Minn., has been commenced and is being prosecuted. Of the 39 sites of public buildings selected, 25 were secured prior to June 30 last and 14 between that date and the present time.

The following summarizes the operations of the office of the Supervising Architect:

Total number of buildings at date of last report		384
Number of buildings authorized since date of last report, including extensions, etc.		70
Total number of buildings, extensions, etc., including marine hospitals and quarantine stations		454
To be deducted:		
Number of extensions, etc.	14	
Atlanta, Ga., exposition (transferred); Astoria, Oreg., old site, became part of site of new building; Chicago, Ill., old post-office (torn down); immigration station, Ellis Island, New York (burned); Milwaukee, Wis., old post-office (sold); Nashville, Tenn., exposition buildings (sold); Omaha, Nebr., exposition (sold); Omaha, Nebr., old post-office (transferred to War Department); Savannah, Ga., old site, and Washington, D. C., Bureau of Engraving and Printing	10	
		24
Total number of buildings under the construction branch (exclusive of extensions, but including marine hospitals and quarantine stations)		430

The above gives the total number of buildings proper, but does not include extensions, improvements, etc., and is amplified as follows:

Completed, as stated in last report	352	
Deduct extensions and improvements	5	
		347
In course of construction at date of last report	28	
Number of buildings completed since last report	12	12
	16	
Commenced since last report	4	
	20	
Number of buildings, extensions, etc., not commenced (including 70 authorized since date of last report)	77	
	97	
Deduct extensions, etc., not commenced (16) and the buildings enumerated in foregoing statement (10)	26	
		71
Total		430

The completed and occupied buildings are classed as follows:

Court-houses, custom-houses, post-offices, etc	328	
Less number to be deducted	10	
		318
Marine hospitals		20
Quarantine stations		11
Total number of buildings completed and occupied at this date		349

Expenditures from appropriations for public buildings, for the period from October 1, 1898, to June 30, 1899.

For sites for and construction of public buildings, extensions, and repairs, especially appropriated for	$2,428,286.36
For repairs and preservation of public buildings	256,758.17
For heating apparatus for public buildings	105,924.49
For vaults, safes, and locks for public buildings	32,019.73
For photographic duplication of plans for public buildings	2,910.88
Total	2,825,899.63

As will be seen from the foregoing statements, work has been prosecuted since the date of the last report on 32 buildings, including extensions, etc., of which 12 have been completed and occupied. There were 56 new buildings and 14 extensions, additional land, etc., authorized at the last session of Congress. Of the new buildings authorized, 39 sites have been selected. Action in securing sites for the remaining buildings has been barred by reason of the lack of acts of cession of jurisdiction in some instances, while in others the prices of land are such as would involve an expense disproportionate to the limit placed as the cost of site and building. It is proper, also, in this connection, that attention should be called to the fact that, owing to the recent rise in prices of building materials, plans and specifications for some of the buildings when placed upon the market have had to be recalled and modifications made to suit the conditions, or further work suspended, because the balance of appropriation available was not such as to permit of continued operations.

The United States post office building in this city, as provided for by legislation, was transferred to the Post-Office Department on September 30, 1899.

The Tarsney Act, which provides for competition among architects for public buildings under this Department, has been enforced with reference to three buildings, namely: The immigrant station, Ellis Island, N. Y., the United States post-office building at Camden, N. J., and the United States court-house and post-office building at Norfolk, Va. So far, results have been fairly satisfactory.

The law is not sufficiently explicit in its administrative features, and although the Secretary of the Treasury is given authority under the act to frame proper regulations for its enforcement, no portions of the administrative laws relating to the erection of public buildings were

repealed, so that any regulation made must be in harmony with existing statutes.

If it shall continue to be the policy of the Government to erect public buildings by architects selected in competition, it is suggested that further legislation should be enacted, especially with reference to the administrative features of the work.

One of the chief difficulties attending the enforcement of the law is the division of responsibility between the Supervising Architect and the architect in charge of the building, and the attention of Congress is called to this feature of the act.

It is the purpose of the Department to place under the operation of this law a number of the buildings authorized by the last Congress, and it is important that remedial legislation, if enacted, should be passed without delay.

Hall of Records.

The earnest consideration of Congress is again invited to the necessity for providing a Hall of Records in this city, in which the uncurrent files of the various Executive Departments and other branches of the Government may be stored.

This matter has been the subject of agitation for many years past, but with no practical results. The growth of the Government's business is so rapid, and the accumulation of the files so great as a consequence, that all of the Executive Departments are cramped for room in which to store the files which by law must be preserved. The destruction by fire of any one of the Executive Departments would cause almost irreparable injury, confusion, and delay in the transaction of its business, and this is especially true of the Treasury. This Department is the great clearing house of the Government. Here all its debts are paid, and here are preserved the evidences of such payment. The files stored in this building are in such condition that a fire may ensue at any time, and in the event of their destruction, numberless claims against the Government would at once arise to embarrass it.

In the Secretary's opinion, there is no public improvement more needed for the welfare of the nation than a Hall of Records in this city, and the matter is presented for the careful consideration of Congress, with the hope that action will be taken at this session looking to the erection of such building.

IMMIGRATION.

There arrived during the fiscal year 1899 at ports of the United States and Canada 311,715 immigrants, exclusive of about 25,000, who, says the Commissioner-General, came as cabin passengers, and an unknown number from Mexico and Canada. The total was composed of 297,349 from Europe, 8,972 from Asia, 51 from Africa, and 5,343 from all

other sources, making an increase over the number for the preceding year of 82,416, or nearly 36 per cent. This increase consisted in large part of European immigrants, numbering 79,563, and especially of arrivals from Italy, Austria-Hungary, and the Russian Empire and Finland, which contributed thereto, respectively, excesses over the figures reported last year of 18,806 (32 per cent), 22,694 (57 per cent), and 31,154 (104 per cent).

The total immigration was divided as to sex into 195,277 males and 116,438 females; as to age, there were 43,983 fourteen years old and under, 248,187 between fourteen and forty-five, and 19,545 who had reached forty-five and over; 60,446 could neither read nor write; 1,022 could read but were unable to write; 39,071 brought each $30 or over; 174,613 brought each less than $30, and the total amount exhibited to inspection officers was $5,414,462. There were relieved in hospital 2,028, returned within one year after landing 263, and refused admission 3,798. The last-mentioned number was composed of 1 idiot, 8 convicts, 19 insane persons, 82 assisted immigrants, 348 diseased persons, 741 contract laborers, and 2,599 paupers or persons likely to become public charges. Besides the foregoing, there were debarred on the Canadian and Mexican borders 796 paupers and 303 alien contract laborers. In the report of those debarred the most noteworthy are the diseased, which show an increase over the corresponding figures for last year of 90 (34 per cent), and those who attempted to evade the alien contract labor laws. The former were principally afflicted with trachoma, a dangerous contagious disease affecting the eye and frequently destroying the vision, and favus, a loathsome scalp disease.

With respect to those refused admission upon the ground that they had come in violation of the alien contract labor laws, although the number reported—741—shows an increase of 77 per cent over the corresponding figures for last year, it is believed by the Commissioner-General that many escaped detection. This arose from the difficulty of securing evidence at the ports of arrival.

To the same cause is attributable, in part, the fact that but few suits are instituted and fewer convictions obtained against the contractors for alien labor. The penal nature of the law, however, and the interpretation of it by the courts, which construe the "landing" or "bringing into" strictly, are chiefly responsible, and it is, therefore, recommended that the law be so amended as to render the successful maintenance of suits against a contractor possible, though the alien contractee be detected and refused a landing at the port of arrival.

A valuable addition has been made to the system of tabulated reports of immigrants, by means of which they are distinguished as to race—using the word broadly—as well as with reference to the countries whence they come. As illustrative of its practical value, those immigrants who heretofore have been reported simply as from the Russian

Empire and Finland, and assumed to be Russians and Finns, are shown by the report to consist during this year of 16 distinct peoples, of whose aggregate Russians and Finns represent less than 13 per cent.

The races represented by immigration in excess of 5,000 and under 10,000 are the Croatian and Slovenian, the Finnish, and the Lithuanian; between 10,000 and 20,000, the English, Slovak, and the Northern Italian; between 20,000 and 30,000, the German, the Polish, and the Scandinavian; between 30,000 and 40,000, the Hebrew and the Irish; and the Southern Italian, including Sicilians, exhibits a total of 65,639.

Transatlantic immigration through Canadian ports, which increased from 6,542 in the fiscal year 1897 to 7,311 in 1898, during the year 1899 enlarged to a total of 11,550. This rapid growth of immigration through Canada, and the numerous obstacles to an efficient examination and exclusion of proscribed aliens under the existing system, are urged by the Commissioner-General as indicating the necessity of abandoning inspection at the Canadian ports and the establishment of certain points on our northern boundary as the only ports of entry for immigrants through or from the Dominion.

For the purpose of obtaining information as to the net increase of the population of the United States from immigration, efficient means should be given to the Commissioner-General to obtain a record of those aliens who leave for foreign ports; and the scope of the operations of his Bureau should be enlarged so as to include the subject of naturalization to such extent as may be necessary to prevent aliens from securing the right of citizenship either through misrepresentation as to the duration of their residence here, or for the purpose of effecting the landing of alleged members of their families, who, as aliens, would not be permitted to land, instances of the latter abuse having occurred with increased frequency during the year.

The total receipts during the year were $421,457.64, and the total disbursements for the enforcement of the immigration laws, other than the alien contract labor laws, reached the sum of $288,002.26, leaving on hand an unexpended balance of $133,455.38. This amount, taken with the balance of last year, shows a total on hand of $418,326.43, from which was appropriated by the acts of Congress approved July 1, 1898, and March 3, 1899, $290,850 for the cost of construction of the new buildings on Ellis Island, New York, to replace those destroyed by fire. The deduction of this amount leaves an available balance on hand of $127,476.43, which, with possible future accumulations, is charged with the payment of four equal annual installments of $50,000, appropriated to the same use.

Of the $100,000 appropriated by Congress for the enforcement of the alien contract labor laws, there was used during the year the sum of $87,725.08, leaving a balance of $12,274.92.

In consequence of information that large numbers of Japanese coolies were being introduced into the territory of Hawaii under contract to

work on the sugar plantations, and under the belief that such importations would introduce embarrassing complications in considering the right of residents of the said territory to enter at our ports, bills were prepared and offered simultaneously in both Houses of Congress extending the provisions of our immigration laws and regulations to Hawaii, but they failed to pass, and the subject is again urged for the speedy action of Congress.

By order of the Secretary of War, and upon the recommendation of the Treasury Department, the laws and regulations governing immigration to the United States were extended to the islands of Cuba, Porto Rico, and the Philippines, and their enforcement by the military governors thereof will, it is believed, greatly relieve the embarrassment which would otherwise naturally arise in this connection from the acquirement of new territory beyond our coasts.

In addition to those before mentioned, amendments to the present laws are recommended by the Commissioner-General for the purpose of removing the limitation on the amount to be expended at any port to the collections made thereat; to increase the head tax from $1 to $2; to extend the authority now exercised for the deportation of aliens here in violation of the alien contract labor laws to aliens who have entered the United States in violation of any law; to extend, with provisions as to an apportionment of the cost of deportation between the community seeking relief and the immigrant fund, the time within which aliens who have become paupers or inmates of reformatory or penal institutions may be deported from one year to five years; to allow the lists or manifests required by section 1 of the act approved March 3, 1893, to be made of alien cabin passengers on the voyage and attested before an immigrant inspector at the port of arrival; to prevent evasions of the immigration laws by immigrants traveling as cabin passengers, or by immigrants coming in the steerage who may claim to be merely visitors, by explicitly extending their provisions to all aliens; and, for the same purpose, to define all alien seamen who are discharged at ports of the United States to be, as regards the operation of the immigration laws and regulations, merely aliens, after they are discharged by the masters or owners of vessels on which they were employed; and the Commissioner-General also recommends that United States Marine-Hospital surgeons be stationed at ports of departure for the purpose of conducting physical examinations of immigrants before their embarkation.

The recommendations thus offered are radical in some particulars and far-reaching in their effects in others. The privileges and immunities for freedom of ingress and egress of travelers, which international usage has long recognized, ought to be respected to the limit of national safety. The questions involved are submitted to Congress as worthy of consideration.

CHINESE EXCLUSION.

The total number of Chinese persons of the so-called exempt classes admitted to the United States during the fiscal year was 3,925, and the number applying for and refused admission was 950. Under the provisions of Article III of the treaty with China, promulgated on December 8, 1894, 1,012 Chinese persons have been permitted the privilege of transit through the United States under bonds, the penal sum of which has been increased from $200 to $500 in each case. Chinese in transit usually proceed to Mexico, and many of them have attempted thence to reenter the United States. The arrest for deportation of 131 Chinese persons on the Mexican frontier indicates that proper efforts have been made to prevent such irregularities.

The total number of Chinese arrested for deportation in the fiscal year was 566. During the same period 192 Chinese were deported by legal process, at a total cost of $19,457.41, an average cost of $101.30 per capita, which included transportation to a Chinese port. The number of returning registered Chinese laborers admitted during the last fiscal year was 1,793, and the number of that class who left this country during the same period with the intention of returning was 2,554.

In June, 1898, it was found that large numbers of Chinese persons were seeking admission on certificates issued by the Government of China, describing them as traders, salesmen, clerks, buyers, bookkeepers, accountants, managers, storekeepers, apprentices, etc., as of the so-called exempt classes designated in Article III of the treaty with China. The subject having been referred to the Attorney-General, that officer on July 15, 1898, rendered an opinion to the effect that the privilege of admission must be confined to the classes specifically named in the treaty, and "that the true theory is not that all Chinese persons may enter this country who are not forbidden, but that only those are entitled to enter who are expressly allowed."

A thorough investigation of the operations of the Chinese-exclusion laws made during the year 1898 resulted in the discovery that its provisions had not been thoroughly enforced in several sections of the country, and that at one port at least Chinese had been unlawfully admitted through the collusion of officers of the Department. These officers were promptly dismissed from the Service, and the evidence secured resulted in the criminal indictment of three of them. It is expected that these persons will shortly be tried, and every effort is being made to punish them.

The rulings of the Department and the investigation referred to have resulted in a considerable decrease in the number of Chinese persons admitted to this country as of the exempt class other than returning laborers, 5,273 having been so admitted during the fiscal year ended June 30, 1898, and only 3,925 in the last fiscal year, as stated above. Since the dismissal of the officers referred to, the admission of Chinese

of the exempt class on the northern frontier has almost entirely ceased, the result of more honest and efficient administration.

In an opinion rendered October 21, 1898, the Attorney-General held that the provisions of the joint resolution, approved July 7, 1898, annexing the Hawaiian Islands, made the Chinese-exclusion laws applicable to those islands. An experienced Chinese inspector was at once sent to Honolulu, with instructions to cooperate with the Hawaiian customs authorities in the enforcement of the laws, and the opinion was communicated to the latter through the Department of State. Subsequently, by the advice of the Attorney-General, permits issued by the Hawaiian authorities prior to the receipt by them of the necessary instructions, entitling Chinese persons to return to these islands, were recognized as authoritative, and the foregoing figures include 328 Chinese admitted to the Hawaiian Islands, and 37 Chinese refused admission to those islands. The expense so incurred in the Hawaiian Islands has been paid from the appropriation made by the joint resolution referred to, $5,000 thereof having been set aside for that purpose by the President. The expense of the enforcement of the Chinese-exclusion laws in this country amounted to $89,084.51 during the last fiscal year.

The sundry civil appropriation act of August 18, 1894, provides that "in every case where an alien is excluded from admission into the United States under any law or treaty now existing or hereafter made, the decision of the appropriate immigration or customs officers, if adverse to the admission of such alien, shall be final, unless reversed on appeal to the Secretary of the Treasury."

The increased efficiency of the customs officers on the northern frontier resulted in the nonadmission of over 300 Chinese, who claimed to be of the exempt class. Many of these persons, disregarding the decision of the collector denying them admission, unlawfully entered the United States for arrest for deportation, and in each case the United States courts and commissioners assumed jurisdiction to inquire into the right of such Chinese to admission, notwithstanding the collector had decided adversely thereon and had been sustained by the Department on appeal. In Vermont, 215 Chinese persons were so arrested for deportation, and nearly all were discharged, the United States court or the commissioner finding, almost invariably on Chinese testimony, that they were entitled to be and remain in the United States, notwithstanding the fact that the collector of customs had in most cases denied them admission. In the trial of these cases the Department has had the efficient cooperation of the United States attorneys, particularly in the district of Vermont.

It will be seen that by these means the provision of the act of August 18, 1894, quoted above, is rendered null and void, and the enforcement of the Chinese-exclusion laws is taken away from this Department, except in the cases of Chinese who are willing to acquiesce in the decision of the collector of customs or the Department denying

them admission. The Congress is urged to provide legislation more clearly defining the authority of the Department in this class of cases.

The joint resolution approved March 1, 1899, provided that the Chinese-exclusion laws should not operate to prevent the admission of "such mechanics, artisans, agents or other employes" as "any foreign exhibitor, representative, or citizen of a foreign nation, or the holder, who is a citizen of a foreign nation, of any concession or privilege from the Philadelphia Exposition Association of Philadelphia," might deem necessary for the purposes of the concession. The holder of a concession granted by the authorities of the exposition referred to, supported by said authorities, demanded the admission of 450 Chinese persons for the purpose of such concession, and after careful consideration it was found that the Department had no authority to deny the application or to make regulations whereby the Chinese so to be admitted might be removed from the country after three months from the close of the exposition, notwithstanding the fact that, in the light of past experience, it was believed that such number was grossly excessive, and that the privilege would be abused. The collector at San Francisco was accordingly instructed to admit 450 Chinese persons for the purpose of the Philadelphia Exposition, but was required to exact a written description and photograph of each so admitted. There is ground for the suspicion that the holder of the concession sold the privilege of admission. Such suspicion is greatly strengthened by the fact that of the 281 Chinese admitted only 49 were to be found at the exposition so long ago as November 3, 1899. To secure their deportation each must be apprehended and taken before a United States commissioner—a procedure that will involve great expense and be attended with doubtful results. The United States court in Chicago recently discharged a troupe of Chinese actors who had been admitted, under similar circumstances, for the Omaha Exposition of 1898.

If similar privileges are hereafter granted by the Congress, it is recommended that in each case the Secretary of the Treasury be authorized to fix and limit the number of Chinese so to be admitted, and to make regulations providing for their ultimate deportation.

It is also recommended that authority be granted for the taking of bonds from masters of vessels who bring Chinese persons in their crews to this country to prevent the landing of such persons. The employment of so-called Chinese watchmen to accomplish this result involved an expense of $14,056.50 during the last fiscal year, which expense should hereafter be obviated.

In my opinion, the enforcement of the Chinese-exclusion laws should be committed to the Bureau of Immigration.

MARINE-HOSPITAL SERVICE.

The Surgeon-General of the Marine-Hospital Service reports that the past year, being the one hundred and first of the existence of the Service, has been the most active in its history. The number of patients treated in the marine hospitals and dispensaries exceeded that of any previous year, and the duties of the Service in relation to quarantine and public health were largely increased, both in volume and variety, by reason of the war with Spain and the resulting territorial acquisitions.

The Service owns and operates 22 marine hospitals, and there are besides 107 stations where patients receive hospital or dispensary treatment. During the fiscal year 1899 the total number of patients was 55,489, of which number 12,610 were treated in hospital.

Professional aid was given to other branches of the Government service, as follows:

To the Revenue Cutter Service, in the examination of 990 applicants for the position of cadet, engineer, and seaman; to the Steamboat-Inspection Service, in the examination of 1,860 pilots for color-blindness, 64 being rejected; to the Life-Saving Service, in the examination of 1,275 applicants for the position of surfman, and the examination of 363 claims of surfmen for the benefits provided by section 7 of the act of May 4, 1882; to the United States Coast Survey, examinations, 36; to the Light-House Service, examinations, 14; to the Naval Reserve, examinations, 8. The total number of physical examinations was, therefore, 4,179, of which number 250 were rejected.

Aid was also extended to the Immigration Service by the medical inspection of 297,785 immigrants; to the Civil Service Commission in making physical examinations; and to the Army and Navy by the reception of patients in marine hospitals, and by the detail of medical officers for sanitary supervision of United States Army transports. These officers were gradually withdrawn after Marine-Hospital officers had been assigned to quarantine duty in ports of Cuba and Porto Rico.

During the year the hospitals have received special attention in the matter of repairs and preservation and ward equipment. The medical libraries have been increased by the addition of the latest standard works; the operating rooms have received new and improved instruments and appliances, including X-ray machines, and the laboratories provided with photographic outfits. A new service ambulance has been adopted and supplied to a large number of the stations.

New purveying depot.

As mentioned in the last annual report of the Service, the business of the purveying division had reached such proportions that the establishment of a purveying depot in New York became necessary.

After careful consideration, a suitable building was secured under lease in New York and the purveying depot transferred thereto during

the past summer. The space in the Bureau thus vacated has permitted the enlargement of the Bureau organization, required by the additional duties imposed upon it.

Marine hospital for consumptives, Fort Stanton, N. Mex.

Upon application of the Surgeon-General, the Secretary of the Interior was requested to transfer to this Department, for the treatment of consumptive patients of the Marine-Hospital Service, the abandoned military reservation known as Fort Stanton, N. Mex., and on April 1, 1899, an Executive order was signed to that effect. A medical officer was placed in command, and preparations were made for the reception of patients, who are now being transferred.

This measure will not only be of benefit to the patients treated in this favorable climate, but will relieve the marine hospitals of these contagious cases, and will be of material aid to the great movement now being urged throughout this and other countries in suppressing this communicable disease. Legislation will be requested for the development of this sanitarium.

New marine hospital for New York.

The Surgeon-General again refers to the necessity of Congress making an appropriation for a marine hospital for the port of New York. The present arrangement for the care of sick and disabled seamen at the principal port of the United States in a building leased from time to time is unsatisfactory. I concur in his recommendation.

Medical corps.

The medical corps at the end of the fiscal year consisted of 83 commissioned medical officers. During the year, after successful examination, as required by law, 16 applicants were commissioned as assistant surgeons. Since June 30, 10 have been appointed. There are, in addition, 95 acting assistant surgeons, 11 sanitary inspectors, and 38 hospital stewards—a total of 144 noncommissioned officers. In addition to the commissioned and noncommissioned officers, there are about 400 attendants and quarantine employees when the marine hospitals and quarantine stations have their full complement of men. This number is of necessity largely increased during epidemics.

Three assistant surgeons contracted yellow fever, and one died of this disease October 12, 1899, while engaged in the work of preventing its spread in Key West. The Fifty-fifth Congress passed a law authorizing the payment of the amount of salary and allowances for two years to the legal representatives of an assistant surgeon who died of yellow fever under like circumstances in 1893. The Surgeon-General recommends the passage of a general law granting a like amount in the event of the death of any officer in the active performance of his duties. He points to the fact that these officers are subject to change of station, as are

officers of the military and naval establishments, and ordered to posts of exceptional danger; also, that like provision is made for the Life-Saving Service. The Secretary concurs in his recommendation, with the limitation that the officer's death should be occasioned by an infectious or contagious disease, acquired by him in the discharge of his official duty.

Expenditures.

The expenditures from the Marine-Hospital fund during the fiscal year 1899 amounted to $680,897.71. The balance on hand at the close of the fiscal year was $683,187.93. The amount available from the appropriation for the prevention of the introduction and spread of epidemic diseases at the beginning of the fiscal year was $457,190.93, and the balance remaining to the credit of this appropriation at the close of the fiscal year was $292,650.26. The sum of $100,000 was added to this fund by act of March 3, 1899.

Reorganization of Marine-Hospital Bureau.

The Surgeon-General represents that a reorganization of the divisions of his office was made imperatively necessary during the past summer by reason of increased work connected with the care of sick and disabled seamen, and by the opening of new marine hospital stations; also by the operation of the act of Congress approved February 15, 1893, entitled "An Act granting additional powers to and imposing additional duties upon the Marine Hospital Service," and the extension of the national quarantine service to the islands of Cuba and Porto Rico.

The Bureau as now organized consists of six divisions, each under a commissioned medical officer: First, Division of Marine Hospitals and Relief; second, Division of Domestic Quarantine; third, Division of Foreign Quarantine; fourth, Division of Sanitary Reports and Statistics; fifth, Division of Personnel and Accounts; and, sixth, Miscellaneous Division.

Hygienic laboratory.

In the early part of the last fiscal year the investigations, covering a period of thirteen months, of the pollution of the Potomac River water were completed. The results were confirmatory of the report submitted to the last Congress, Senate document 211, and they indicate clearly the necessity for filtration of the District of Columbia water supply before it is furnished to consumers.

The work in connection with car sanitation has been carried so far that further investigation is unnecessary, and a complete report thereon is in preparation.

Experiments to test the efficiency of formaldehyd as a disinfectant have claimed attention throughout the year, and a report has been published upon "Disinfection with formaldehyd in a vacuum chamber combined with dry heat."

Bacteriological and pathological work in the investigation of the

cause of the epidemic of meningitis which prevailed in many localities, including the city of Washington, has been carried on during the year, and is still in progress.

The work of the laboratory has included also the examination of specimens transmitted from the stations, and an investigation into the nature of pneumonia, Malta fever, and typhoid fever. The immunization of a horse against typhoid fever has been progressing satisfactorily, and a series of experiments are now in progress to test the value, in the prevention or cure of the disease, of the serum obtained from this animal.

Following the report of the commission on yellow fever, the immunization of a horse was at once begun with a view of obtaining a serum that will prove efficacious in the prevention and cure of yellow fever. This work is still in progress.

The Surgeon General renews the recommendation made in the previous year that the laboratory be removed from its present location in the Bureau, and that a special building be provided for it. This laboratory has complete equipment, and in view of its important and practical character the facilities for its conduct should be increased by the erection of a suitable building.

National quarantine service—Domestic.

The Marine-Hospital Service now owns and operates 13 large and complete quarantine stations, which, the Surgeon-General reports, with their boarding vessels, disinfecting apparatus, hospitals, and personnel, add materially to the administrative duties of his office. There were 3,838 vessels inspected and 370 disinfected at these stations during the fiscal year. There are, besides, 9 stations where inspection of incoming vessels is conducted by officers of the Service.

New quarantine station near Astoria, Oreg.—In accordance with the act of Congress approved July 1, 1898, a site for a quarantine station has been selected in the State of Washington, near Astoria, Oreg., not far from the mouth of the Columbia River. The purchase of this site, with the buildings thereon, has been arranged, but its consummation has been necessarily deferred pending the examination of title. On account of urgency, temporary provision has been made, and quarantine examination of incoming vessels is now being conducted.

Savannah quarantine.—In April a proposal was received from the mayor and city council of the city of Savannah to turn over the function and plant of the Savannah quarantine to the Marine-Hospital Service. This tender was made at the time when large bodies of troops were being returned to the United States from Cuba, using Savannah as a port of entry. The quarantine work connected therewith devolved almost entirely upon the Marine-Hospital Service, and such fact,

together with the expressed confidence of the city of Savannah in the Marine-Hospital Service, led to this tender.

The quarantine was accepted under section 8 of the act approved February 15, 1893, and the buildings leased at a nominal figure for two years, the proposal being that at the expiration of this period the Government should purchase the property of the Savannah quarantine at a price to be fixed by arbitration, or, if the city of Savannah desired to resume its quarantine functions, any improvement made by the Government should be paid for by the city at a price to be fixed by arbitration. The Department, being unauthorized to formally accept these terms, agreed to recommend to Congress the legislation necessary to carry out the intent thereof. Accordingly, the necessary appropriation is recommended in the Book of Estimates. The transfer was effected on April 18, and the station is now being conducted as a national quarantine station.

The Savannah quarantine station, from a sanitary standpoint, is of the greatest importance, Savannah being the principal city of the South Atlantic seacoast, and the vessels entering there are of an especially dangerous character, inasmuch as they come from tropical ports. During the last year there were 145 vessels subjected to quarantine inspection at that port, of which number 58 were infected. The acquisition of this quarantine was in accordance with the spirit as well as the letter of the law of 1893, which contemplates the surrender by State and local quarantines of their quarantine functions to the National Government. This is rightly regarded as an important step in the attainment of a strictly national quarantine.

Mullet Key detention camp.

On account of new fortifications on Egmont Key, the War Department demanded the removal of the detention camp which had been established by the Marine Hospital Service on this island during the war with Spain, and transferred to the custody of this Department the adjoining Mullet Key. The camp, therefore, has been transferred to Mullet Key. This is essentially a quarantine camp, necessary for the detention of people who may have been exposed to yellow fever before permitting entry at the important port of Port Tampa.

There is a State quarantine on Mullet Key, occupied by consent of the War Department before the transfer of the island to this Department. It is without facilities for the detention of suspects, however, as provided by the detention camp established there by the Marine-Hospital Service.

Craney Island.

The Department has also received from the Navy Department the right of possession of Craney Island, a small island in the vicinity of

Norfolk, Va., which, under the direction and control of the Marine-Hospital Service, is utilized for the reception of smallpox patients from Portsmouth, Norfolk, and neighboring localities, each city meeting its own expenses.

Post epidemic disinfection and aëration.

During the winter of 1898–99 disinfection of houses and contents was performed in the several localities in Louisiana and Mississippi infected during the yellow-fever outbreak in 1898.

In the city of New Orleans the Marine-Hospital Service, by request of the State and city boards of health, and with their cooperation, undertook an inspection and thorough aëration of houses where the fever had prevailed. The number of infected houses was so great that nothing more than aëration on bright, cold days was attempted. The Surgeon-General believes there is little doubt of the value of this work, as shown by the lateness and limited number of cases that developed during the past fall.

Sanitary operations connected with the return of troops from Cuba and Porto Rico.

Early in the spring, before the onset of the rainy season, the President determined to return to the United States troops in Cuba and Porto Rico no longer required there for military purposes. Yellow fever having prevailed among some of these troops, and because of the uncertainty with regard to others, the disinfection of all their baggage was deemed necessary. Arrangements were perfected with the Quartermaster's Department, which rendered valuable cooperation and assistance, and the camp equipage and baggage of all the troops, about 25,000 in number, was effectively disinfected by the Marine-Hospital Service at six quarantine stations during March and April. Moreover, soldiers returning after April 1 were required by the regulations to be held in detention camps for a period of five days to demonstrate their freedom from infection. About 12,000 were thus detained under the direct surveillance of the national quarantine officers. The work was highly successful. There has been no infection traceable to the baggage or personnel of the troops connected with this movement.

Yellow fever—National Soldiers' Home, Virginia.

In the latter part of July last, an epidemic of yellow fever appeared in the National Soldiers' Home, near Hampton, Va., the management of which was given over entirely to the Marine-Hospital Service, whose efforts to suppress the same were successful, there having been a total of 45 cases and 13 deaths. The success has but one parallel, that at McHenry, Miss., in 1898.

In his annual report the Surgeon-General discusses the probable origin of this fever, and describes the methods adopted to suppress it.

The epidemic excited unusual attention because of the peril to which some thirty-five hundred veterans of the civil war were exposed, and because of the terrible ravages of this disease in Norfolk and vicinity in previous years. As usual in all epidemics, endeavor was made by irresponsible parties to throw doubt upon the character of the disease, but the opinion of the physicians, twelve or more in number, who saw the cases, among them experts of national reputation and one sent by the State of Louisiana, leaves no question as to the diagnosis.

The Surgeon-General gives credit to the physicians of the Home and its governor for their prompt and intelligent action, and calls attention to the lesson to be derived from this epidemic, namely, the necessity of promptly recognizing and announcing the disease. The incident is encouraging as demonstrating that when this is done the spread of the disease may be checked.

Yellow fever in Louisiana and Mississippi.

Despite the work of the Service and the Louisiana State board of health during the winter of 1898–99 in aërating houses and the contents thereof, infected during the outbreak of yellow fever in New Orleans in the fall of 1898, the disease again appeared as a recrudescence, the first case having been noted in the city of New Orleans in May, 1899, but there has been no very wide spread, and up to the present time the total number of cases reported has been less than one hundred.

In September, yellow fever was reported in Jackson, Miss., and Mississippi City; but in these places, as in New Orleans, the tendency to spread has been limited, and the cases have been few.

In both Louisiana and Mississippi officers of the Marine-Hospital Service have been present to insure the execution of the Treasury quarantine regulations and give aid to the local health authorities. Officers have also been detailed to investigate rumors and pass upon the nature of suspected cases in many localities.

Yellow fever in Key West and Miami, Fla.

On August 27 the Marine-Hospital Bureau received the first announcement of the existence of yellow fever in Key West, though subsequent developments indicate that it had previously prevailed there in mild form for several weeks. The management of the epidemic in the city itself was left, as is contemplated by the law, to the State quarantine authorities, the efforts of the Marine-Hospital Service being directed toward preventing the disease from spreading to other portions of the State and to other States. Accordingly, the Service established a maritime patrol around the island of Key West and a detention camp

on Dry Tortugas, 60 miles distant, where persons desiring to leave might undergo the required period of detention. To October 20 there had been reported 1,230 cases of yellow fever and 60 deaths. Many cases of a mild type have doubtless been unreported, as a number of the Cuban physicians in the city have failed to report their cases. The epidemic is rapidly on the decrease.

The disease was subsequently discovered at Miami, Fla., the first official announcement being made October 19, with the statement that it had probably been existing in a mild form unrecognized for two months. There have been reported to October 23, 20 cases and 2 deaths. It has not been determined whether the yellow fever at Miami is traceable to the fever at Key West, and if it is, whether the cases were not existing there before the quarantine patrol had been placed around the island of Key West.

Miami has been placed under quarantine, and the Marine-Hospital Service has prepared a small detention camp at Fulford, a few miles north, for people wishing to leave Miami. The lateness of the season renders a widespread prevalence improbable.

The Surgeon-General reports that prior to the announcement of the fever there had been a number of cases of so-called dengue fever, many of which were without doubt mild cases of yellow fever. He deprecates the unwillingness of physicians to acknowledge the serious nature of supposed cases of dengue fever, and in his report urges that measures be taken to prevent the spread of dengue, since that disease is so often associated with yellow fever.

Quarantine on the Texas-Mexican border.

On account of the prevalence of yellow fever and smallpox in Mexico quarantine officers were stationed at the three principal railroad crossings from Mexico into Texas—at El Paso, Eagle Pass, and Laredo. Passengers from Mexico were obliged to give evidence of not having been in any yellow fever infected district in Mexico for ten days prior to their arrival at the border, this inspection service being supplemented by a system of sanitary certificates issued in Mexico.

Aid in the suppression of smallpox.

In accordance with the announcement made in the annual report for 1898, the assistance of the Marine-Hospital Service in the suppression of smallpox has been limited chiefly to expert services in diagnosing the disease in many localities and instructions to the local authorities in the methods to be pursued. The methods of suppressing smallpox in communities are so plain, and the protection of individuals so evidently the duty of the communities themselves, that the Marine-Hospital Service will not assume any financial obligations connected therewith. The Bureau has, however, issued a large number of a précis upon the methods of diagnosing and suppressing this disease, which have proved

of great value to local authorities. Expert officers have been detailed in several of the States, at the request of the governors or health authorities thereof, for duty as above indicated. A general vaccination of crews of vessels on the Great Lakes, the rivers, and Atlantic and Gulf coasts was conducted by the officers of the Marine-Hospital Service during the past winter to assist in the movement to suppress this disease.

The Surgeon General calls particular attention to the necessity of vaccination as a reliable preventive. The Bureau has officially declared that no vaccine virus except that known as glycerinized vaccine lymph should be used, and that the purity of this form of virus is unquestioned. The prejudice against vaccination which has heretofore to some extent prevailed is no longer justified in view of this perfected preparation, by use of which untoward results from vaccination need not be feared. This form of virus is easily procured, and upon its free use, in conjunction with the recognized quarantine procedures, must reliance be placed for the suppression of this loathsome disease, now so generally prevalent.

National quarantine service—Insular and foreign.

Cuba, Porto Rico, and the Philippines.—In January of the present year an order was signed by the President and the Secretary of War transferring all the maritime quarantine of Cuba and Porto Rico to the Marine-Hospital Service. In March another Executive order was issued declaring that the expenses of this service should be paid from the revenues of the islands, and setting aside $300,000 annually from tonnage tax receipts of Cuba as a quarantine fund. A thorough organization was effected as soon as possible, there being at the present time some thirty officers of the Service in Cuba and seven in Porto Rico. The selection and assignment of officers, the promulgation of regulations, the purchase of disinfecting apparatus, boarding vessels, etc., has been a work of great magnitude and importance.

Two complete sets of most recent and approved type of disinfecting apparatus for quarantine stations have been sent to Manila, with the approval of the Secretary of War, and arrangements are now under consideration for their use in protection against the plague and other diseases prevailing in the Orient.

Central American fruit ports.—In April the Marine-Hospital Service organized an inspection service for the fruit ports of Central America. Seven medical officers were assigned to the United States consulates in as many ports, their duties being so to assure the safety of fruit vessels before leaving the foreign port as to prevent their detention and the consequent ruin of cargoes on arrival at ports of the United States.

Mexico.—On account of the violent epidemic of yellow fever in Vera Cruz, Mexico, an officer of the Service was detailed in the office of the United States consul at that port, and subsequently, on account of the

same disease in various interior towns in Mexico and the danger of its being conveyed across the Texas border, a commissioned officer, with the expressed assent of the State Department, was sent to the City of Mexico to organize a system of inspection and disinfection of infected baggage, in order to facilitate the travel of people across the Texas border. Some twenty localities in Mexico were infected with yellow fever. Sanitary inspectors were appointed to act in conjunction with the consular service in furnishing certificates to be presented at the border to the quarantine officers stationed there.

Acknowledgment is due the Mexican Government for its courteous attitude toward this measure of the United States.

Medical officers in other foreign ports.—On account of the increasing prevalence of plague in Asia and certain portions of Europe and Africa, officers of the Marine-Hospital Service have been detailed for duty at Honolulu, Yokohama, Hongkong, and Naples. Inspections have also been made by Marine-Hospital surgeons of Oporto and Lisbon, Portugal; Barcelona, Spain; Marseilles, France; Cairo and Alexandria, Egypt; and the principal seaports of western Europe whence emigrants sail for the United States, including Bremen, Antwerp, Hamburg, and Rotterdam. As provided by the law of February 15, 1893, Marine-Hospital officers have been detailed to serve in the consular offices at these principal ports. The Bureau has also a medical representative upon the sanitary commission in Constantinople, and a medical officer at Rio de Janeiro.

Leprosy investigation.

Measures have been taken to put in effect the act passed by the last Congress authorizing a commission of medical officers to ascertain the number of cases of leprosy now in the United States.

Cause of yellow fever.

With regard to yellow fever, attention is invited to the report of the commission of medical officers of the Marine-Hospital Service detailed by direction of the President to make an investigation into the cause of this disease. Their findings are important, inasmuch as they verify those of Sanarelli in his discovery of the bacillus icteroides. They farther demonstrate that this disease is received into the human system through the respiratory tract, and indicate the probability of a protective and curative serum similar in its use to that now employed in the treatment of diphtheria. While this discovery gives ground for hope of amelioration in the matter of yellow fever in the future, the Surgeon-General calls attention to other measures deemed highly essential.

The success attending the efforts of the Government authorities in Cuba in diminishing the prevalence of this disease by sanitation is an

object lesson to be studied by our own and all other governments of the Western Hemisphere. It is known that there are many seaports of this hemisphere where yellow fever is endemic because of bad sanitary conditions, readily removable by proper sanitary engineering. An inquiry is now being conducted concerning the ports of the Western Hemisphere where yellow fever constantly prevails, with a view of definitely determining the reason therefor, and proving, if possible, that it is due to want of proper drainage, sewerage, and cleanliness of the harbor. The report suggests that in the interests of commerce, as well as of life and health, the time may come when an international agreement may be effected between the republics of this hemisphere by which the unsanitary conditions which perpetuate this western pest in certain ports will be considered a just cause of complaint by the other republics, and such quarantine or other restrictions imposed by mutual agreement upon the government possessing the offending port as will cause it to adopt the necessary measures for the removal of the evil. The Surgeon-General points out that action of this character would be far-reaching in its effects upon the welfare and commercial prosperity of all.

National quarantine law.

The bills introduced into the Senate and House of Representatives of the last Congress to strengthen the national quarantine law, though strongly indorsed by both the Senate and House committees, were not acted upon. The Surgeon-General points to the fact that these amendments can have no justifiable opposition, at least those relating to maritime quarantine; and in view of the threatening bubonic plague he urges that legislation be enacted strengthening the national quarantine service in the manner indicated in the above mentioned bills, which have already received the approval of this Department.

REVENUE CUTTER SERVICE.

Summary.

The following is a summary of the work performed by the vessels of the Revenue Cutter Service during the year, being exclusive of services rendered in cooperation with the Army and Navy in the war with Spain:

Miles cruised	239,061
Lives saved, actually taken out of the water	18
Vessels boarded, and papers examined	18,039
Vessels seized and reported for violation of law	142
Fines and penalties incurred by vessels reported	$28,970
Vessels in distress assisted	111
Value of vessels assisted and their cargoes	$1,735,762
Persons on board vessels assisted	946
Persons in distress taken on board and cared for	62

The Department was deprived of the services of 14 vessels during a part of the fiscal year by reason of repairs made necessary on account

of their cooperation with the Navy during the late war, to wit: Of 4 vessels from July 1 to September 1, of 5 vessels from July 1 to October 3, 4, 5, 15, and 27, respectively, of 1 vessel from July 1 to November 1, and of 1 from July 1, 1898, to January 8, 1899; while the *Algonquin*, *Onondaga*, and *Nunivak* were not placed in commission until September 18, October 24, 1898, and May 1, 1899, respectively.

Vessels.

The vessel building for the New York station is nearing completion.

The vessel authorized by Congress for service on the Yukon River, Alaska, was completed in March last and sailed for its destination early in April. It is expected that excellent service will be rendered by this vessel.

Congress at its last session authorized the construction of two vessels, one for service on the Great Lakes, the other for the Pacific coast. Plans and specifications for these are being prepared and proposals for their construction will be invited at an early day.

In the last annual report the following was submitted:

The following vessels should be condemned and sold just as soon as it is possible to replace them:

The *Seward:* This vessel was constructed in 1873; is a wooden side-wheeler; now, after twenty-four years' service, is practically worn out, unseaworthy, and not worth extensive repairs; cost originally $34,600, and since for repairs $26,588.

The *McLane:* This vessel was acquired from the Navy in 1865, after serving as a gunboat during the war. It is an iron side-wheel vessel, of obsolete type, has been thirty-two years in the Revenue Cutter Service; cost originally $36,000, and for repairs since $113,275. The vessel is not worth extensive repairs.

The *Colfax:* This vessel was constructed in 1871, is of iron sheathed with wood, twenty-six years old and a side-wheeler; cost originally $65,500, and since for repairs $87,000. The hull is very tender and can not be properly repaired without practically rebuilding, and it is not worth any considerable outlay.

The *Boutwell:* This vessel was built in 1873, and, owing to bad design, is not now, and never was, a seaworthy vessel. It is a twin-screw boat, very slow, and unfit for the work of a revenue cutter; cost originally $70,000, and since for repairs $49,840.

The *Washington* and *Chandler* are both small tugs, acquired from the Navy in 1865, in which they did service during the war. Both are wooden vessels, have been in the Revenue Cutter Service thirty-two years. They cost originally, the *Washington* $7,000 and the *Chandler* $6,500, and for repairs since $35,732 and $34,537, respectively.

The *Hamlin:* This vessel was constructed in 1866, is a small wooden tug, and has been actively in service for thirty-one years. It is past repairing; cost originally $15,500, and for repairs since $13,046.

Conditions with reference to the vessels named above have not changed, except that the ravages of time have rendered them less seaworthy. To keep them in service and not abandon their stations, repairs aggregating $12,535 have been made within the last two years. It is not in

accordance with good administration to retain these old vessels any longer than it will take to replace them by new ones. The construction of at least four cruising vessels and three others for harbor service to replace those named above is recommended.

Bering Sea patrol.

The patrol of the North Pacific and Bering Sea, for the protection of the fur-seal herd, is in active prosecution by the following vessels of the Revenue Cutter Service, designated by the President for the purpose: The *Corwin*, Capt. W. J. Herring, R. C. S.; the *Perry*, Capt. W. F. Kilgore, R. C. S.; the *Grant*, Capt. J. A. Slamm, R. C. S.; the *Rush*, First Lieut. W. H. Cushing, R. C. S., commanding, and the *Bear*, First Lieut. D. H. Jarvis, R. C. S., commanding.

The *Perry*, in addition to the patrol work assigned her, is to make a thorough inspection of the salmon canneries on the coast of Alaska and the islands upon which the raising of foxes is carried on.

The *Bear* will make her usual cruise to the Arctic for the relief of distressed seamen, and to distribute the awards provided by Congress for the natives who rendered service to the overland expedition for the relief of the whaling fleet in 1897–98.

The U. S. S. *Thetis*, which was turned over to this Department by enactment of Congress, for service in the interest of the Department of the Interior to transport reindeer from Siberia to the Alaskan coast, was repaired, officered, and manned by the Revenue Cutter Service, and sailed for St. Lawrence Bay, June 13, 1899.

Personnel.

In the annual reports for 1897 and 1898 the Secretary urged the necessity of legislation for the promotion of the efficiency of the Service. Action by Congress in its behalf is imperative.

This subject was referred to in the last annual report, as follows:

It is the aim and purpose of the Department to raise the Revenue Cutter Service to the highest standard of excellence. While much has been done in this regard by the Department in the formulation of proper orders and regulations, certain essential results can not be accomplished without legislation by Congress, the need of which is seriously felt. Something must be done immediately whereby the active lists of commissioned officers can be filled with men mentally and physically qualified to perform the arduous, hazardous, and exacting labors which the laws impose. Prior to the year 1895, the Service, due to the absence of remedial legislation, had reached such a state that Congress finally recognized its almost helpless condition, and passed the act of March 2, 1895, under the provisions of which 39 officers were placed upon a permanent waiting orders (or retired) list. In the enactment referred to Congress recognized two essential features: First, the absolute necessity of extending this relief in the form of a retired list; and, secondly, the justice and fairness of the principle of the relief extended.

But the act did not go far enough. While it relieved an emergency

and retired from active service all officers who were then (March 2, 1895) disqualified, it ended there. Some officers who were left on the active list, after the law had been carried into effect, as physically sound, have since become unfit for duty afloat, because of age and disabilities incident thereto, as well as to those contracted in the line of duty. As a consequence, there are at this time eleven officers who are, by reason of age alone, incapacitated for active duty afloat. These are as follows: One of 72 years, one of 67 years, three of 66 years, one of 65 years, three of 63 years, and two of 62 years. The length of service of these officers ranges from twenty-eight to thirty-seven years in individual cases, while some of them are veterans of the Navy in the war for the Union. It will thus be seen that the Service is seriously crippled at this time, and relief is recommended.

It will be readily conceded by all who are conversant with the facts that no branch of the public service in time of peace requires as continuous, laborious, and hazardous service as this, while in time of war, as was practically demonstrated in the war with Spain, it stands upon the same ground with the Navy in everything, except in the matter of compensation and the benefits bestowed by the Government upon the commissioned ranks of the sister service, in connection with which, under the law, the Revenue Cutter Service bore so conspicuous and meritorious a part.

It will be seen from the foregoing that as time passes the Service is becoming more and more crippled, so that its condition at this time is rapidly nearing what it was when the remedial legislation of 1895 was enacted. So true is this that, within the fiscal year just closed, the Department was compelled to assign four first lieutenants to highly important commands because of the lack of officers of the higher grade, due to causes rehearsed above, a condition which is hardly just to the officers thus assigned, because the responsibilities of captains are imposed upon them, without the rank and pay.

In addition to the depletion of the personnel because of advanced age and physical disability incident to long and faithful service, the active lists are further reduced under existing law by the assignment of officers to special duty on shore, and of others to duty in connection with the Life-Saving Service, as follows: One captain as chief of division, R. C. S. (Stat. L., vol. 28, p. 172, chap. 174, 1894); two captains as superintendents of construction, life-saving stations (sec. 4249, Rev. Stat.); ten other officers, R. C. S., as inspector and assistant inspectors of life-saving stations (act approved June 18, 1878).

Thus 13 officers of the line are performing duties in accordance with law wholly apart from service afloat. In addition to these, a number of other officers of the various grades are required by exigencies of the service to perform other than duty afloat, in the supervision of construction of hulls and machinery of vessels building or under repairs.

The number of officers allowed under the provisions of section 2749, Revised Statutes, should be increased by at least so many as are required by existing law and exigencies of the service to serve on shore duty.

The actual depletion of the active lists of all ranks for service in

cruising vessels at this time is shown as follows: Because of advanced age and disability, 14; because of assignments under the law to other duty, 13; total, 27. This takes no account of the number of officers assigned to the superintendence of construction of the hulls and machinery of vessels building or under repair, which will vary from 6 to 12, according to the work in progress. Neither does it take into account the temporarily sick from various causes. For a considerable time past it has been found necessary, because of the depletion of the lists, to officer several cruising vessels with one commanding and one other line officer where the law requires a captain and three lieutenants.

Bills were pending in the last Congress (Senate No. 620, House No. 11953), both favorably reported and upon the calendars, which were acceptable as measures of relief. There was also pending in the House Senate Bill 3903, for the further promotion of the efficiency of the Service, which had the Department's indorsement and approval. This latter bill was passed by the Senate April 29, 1898, and was favorably reported by the Committee on Interstate and Foreign Commerce of the House of Representatives.

Pensions.

In the matter of pensions for the enlisted men of the Revenue Cutter Service, the recommendation on the subject contained in the last two annual reports is repeated here, as follows:

Under the provisions of section 4714, Revised Statutes, the officers and seamen of the Revenue Cutter Service who may be wounded or disabled in the discharge of their duty, "while cooperating with the Navy by order of the President," may be placed upon the Navy pension list.

The ordinary duties devolved upon the Revenue Cutter Service are fraught with greater risk of life and limb than that incurred by the Army, Navy, and Marine Corps in time of peace, while in time of war they are at least equal, and every argument that applies as a justification for extending this bounty to those services has equal force on behalf of the enlisted men of the Revenue Cutter Service. I, therefore, recommend that the law, section 4714, Revised Statutes (act of April 18, 1814), be amended to read as follows:

The enlisted men of the Revenue Cutter Service of the United States, who have been or may be wounded or disabled while in the actual discharge of their duties, shall be entitled to be placed upon a pension list under the same regulations and restrictions as are now provided by law for enlisted men of the Navy.

Porto Rico.

Several applications have been made by the War Department for vessels of the Revenue Cutter Service to perform duty in the waters of Porto Rico. It has been impossible to comply with these requests. The Service in its normal condition has no more vessels than are necessary to cover the coast line of the United States, and none can be withdrawn without detriment to the public service. Should the customs

and navigation laws of the United States be put in force in the newly acquired territory, the necessity for the presence of an efficient part of the Service there will be manifest, and in that case vessels must be provided. Should the extension of our laws to the territory named be made, it is recommended that two revenue cutters of the first class be authorized.

NAVIGATION.

The report of the Commissioner of Navigation shows that on June 30, 1899, the merchant marine of the United States, including all kinds of documented shipping, comprised 22,728 vessels, of 4,864,238 gross tons. On June 30, 1898, it comprised 22,705 vessels, of 4,749,738 gross tons. The following table shows the geographical distribution, motive power and material of construction, and trade of vessels of the United States for the fiscal year 1899, compared with the fiscal year 1898, and also the construction for the two years:

Vessels of the United States.

	1898.		1899.	
GEOGRAPHICAL DISTRIBUTION.	*Number.*	*Gross tons.*	*Number.*	*Gross tons.*
Atlantic and Gulf coasts	16,442	2,553,739	16,275	2,614,869
Pacific coast	1,754	496,767	1,970	539,937
Northern lakes	3,256	1,437,500	3,162	1,446,348
Western rivers	1,253	261,732	1,321	263,084
Total	22,705	4,749,738	22,728	4,864,238
POWER AND MATERIAL.				
Sail: (*a*)				
Wood	15,896	2,237,153	15,771	2,214,540
Iron and steel	97	140,662	120	173,687
Total	15,993	2,377,815	15,891	2,388,227
Steam:				
Wood	5,775	1,288,785	5,824	1,274,056
Iron and steel	937	1,083,138	1,013	1,201,955
Total	6,712	2,371,923	6,837	2,476,011
Canal boats	660	74,640	629	71,101
Barges	1,667	467,348	1,962	491,808
Total	2,327	541,988	2,591	562,909
TRADE.				
Registered:				
Steam, iron and steel	108	230,956	135	288,813
Steam, wood	204	63,108	232	71,217
Sail (*b*), wood and iron, and steel	824	443,645	964	488,216
Total	1,136	737,709	1,331	848,246
Enrolled and licensed:				
Steam, iron and steel	829	852,182	878	913,142
Steam, wood	5,571	1,225,677	5,592	1,202,839
Sail (*a*), wood and iron, and steel	15,169	1,934,170	14,927	1,900,011
Total	21,569	4,012,029	21,397	4,015,992
CONSTRUCTION DURING THE YEAR.				
Geographical distribution.				
Atlantic and Gulf coasts	514	63,090	631	154,586
Pacific coast	228	49,789	306	41,534
Northern lakes	87	54,084	122	80,366
Western rivers	123	13,495	214	23,552
Total	952	180,458	1,273	300,038

a Including canal boats and barges.

b Including barges.

Vessels of the United States—Continued.

Power and material.	1898.		1899.	
	Number.	*Gross tons.*	*Number.*	*Gross tons.*
Sail:				
Wood	357	27,692	413	72,585
Steel	2	6,724	7	25,538
Steam:				
Wood	343	57,337	359	48,040
Iron and steel	51	48,501	80	103,018
Canal boats	20	2,386	13	1,411
Barges:				
Wood	169	30,777	397	46,673
Steel	10	7,041	4	2,823
Total	952	180,458	1,273	300,038

Our total tonnage on June 30, 1899, was the greatest recorded since 1865, and the output of our shipyards during the fiscal year was the largest of any year, except 1891, in the past quarter of a century. For the first time in our history the tonnage of our steam vessels exceeds that of all other documented craft, and our steamships registered for foreign trade, in number and tonnage, surpass our former records. The current fiscal year opened with our shipyards fully employed on commercial and naval construction, and while the high price of steel may prevent so large an output this year as last year, the indications favor the continuance of present prosperity in shipbuilding for an indefinite period.

While it is gratifying to be able to recite these evidences of welfare at home, it must be borne in mind that the facts and figures of any one nation concerning shipbuilding and the international carrying trade are relative, and that our progress in maritime affairs can be ascertained only by comparison with the progress of other countries. The results of such a comparison are not so satisfactory to our national pride. Our shipping in foreign trade is increasing, but it is not increasing so rapidly as that of other nations, and our share in the carrying of our exports and imports for the past fiscal year was hardly 9 per cent, the smallest in our history. Our wonderful development during the past few years has placed us in advance of, or in the first rank with, our competitors in nearly every form of industrial activity; but in shipbuilding for international trade and in deep sea navigation we must reluctantly concede that we are outstripped by nations in other respects much less resourceful and enterprising than the United States. The barren sea doubtless offers less inducement to our citizens, with fertile fields, rich mines and forests, and prospering factories at hand, than to the people of less fortunate countries, but the fact remains that our national greatness can not be fully rounded out while we are so dependent as at present on foreign shipping for our intercourse with the rest of mankind. At this time political and commercial considerations demand of us a larger measure of strength and independence on the seas than ever in our history, yet never before have we been relatively so weak in transoceanic navigation.

The activity of our shipyards, our surpassing production of steel, and the evidences of an awakening interest in shipping have created an opportunity for the reestablishment of our maritime commercial rank, which it is trusted Congress, by sagacious, liberal, and durable legislation, will convert into realization.

In the last annual report several specific recommendations were submitted, drawn in the main from the current practices of our maritime competitors, raising no diplomatic difficulties, and believed to be adequate to our needs. The situation is the same now as then, and the necessity for action has become more pressing. The same propositions, accordingly, are again submitted:

First. A remodeling and extension of the act of March 3, 1891, relating to the carrying of ocean mails in American steamships, so that it shall meet requirements which have arisen since the law went into operation.

Second. The establishment of a system of graded bounties upon the mileage navigated by registered American vessels while engaged in the foreign carrying trade as compensation for the training of seamen available for the national defense, the system to have regard also to the construction of vessels which may be promptly and economically converted into cruisers, transports, colliers, and supply ships for the use of the Government. Special provision should also be made for vessels and men engaged in the deep-sea fisheries.

Third. Extended application of the principle of the act of May 10, 1892, by virtue of which the *St. Louis* and *St. Paul* were constructed in this country upon the registry of the foreign-built steamships *New York* and *Paris*, this extension to continue for a short term of years and to be so guarded as to preserve the coasting trade to American-built vessels.

Fourth. A moderate increase in the rates of our tonnage taxes, equalizing them with the corresponding charges at present imposed at the leading European seaports.

Fifth. The restriction of the trade between the United States, Porto Rico, and Hawaii and the coasting trade of those islands to vessels of American registry.

The relations of merchant shipping to the common defense and the general welfare raise propositions for its encouragement above the plane of industrial or class legislation and entitle them to the careful consideration, not only of the seaboard States, but also of the great producing sections of the country which require increased transportation facilities to foreign markets.

The details of the several propositions named are considered in full in the report of the Commissioner of Navigation, which also contains statistics and information relating generally to our maritime condition and that of foreign nations.

The most comprehensive measure ever enacted in this country for the benefit of American seamen went into effect in February. Its enforce-

ment has been attended with some difficulties, but in the main the act has proved satisfactory. Time may develop the desirability of some modifications, but it is trusted that no change will be made until the act has had a full and fair trial.

The collections from tonnage taxes for the year were $834,087, compared with $846,771 for the previous year, and $731,770 for the fiscal year ended June 30, 1897. Changes in our laws relating to tonnage taxes are recommended by the Commissioner of Navigation.

The passage of measures applying our laws relating to commerce, navigation, and merchant seamen to Hawaii and Porto Rico is recommended.

Large rafts of timber in tow on the Pacific and very long tows of barges on the Atlantic are becoming a menace to navigation, and a reasonable regulation of these trades may soon be necessary. To be effectual, such regulation may require the cooperation of the Canadian Government.

STEAMBOAT-INSPECTION SERVICE.

The expenses of this Service were: For salaries, $287,515.33; contingent expenses, $50,844.89. The increase in expenditures over 1898 was $4,504.70, being accounted for largely by the additions to such expenses made necessary by inspections for the first time in the district of Alaska, amounting to $2,807.50 for officers' traveling expenses, to which should be added $487.58 for rent and new instruments.

The total number of annual certificates of inspection issued, foreign and domestic, to steam, motor, and sail vessels, the latter inspected under the act of Congress approved December 21, 1898, was 8,707.

The number of certificates issued to foreign passenger steamers included in the above was 325; the number of sail vessels, 58; gross tonnage of foreign steam vessels, 1,123,253; and gross tonnage of domestic steam and motor vessels, 2,515,865.

The total number of officers holding five year licenses is estimated to be about 12,000, of which number 5,316 received their licenses during the fiscal year, the remainder having been licensed in 1896 and 1897.

Classification of inspections, tonnage, and officers licensed, according to several divisions of navigation, for the fiscal year ended June 30, 1899.

Divisions.	Inspections of steamers.	Tonnage.	Officers licensed.
Pacific coast	951	404,413	938
Atlantic coast	3,827	1,823,582	1,981
Western rivers	1,022	145,188	1,095
Northern lakes	2,205	1,081,016	836
Gulf coast	644	181,919	466
Total	8,649	3,639,118	5,316

The total number of examinations of applicants for masters' and pilots' licenses was 2,034, of which 62 were found color-blind and rejected, leaving the number passed 1,972.

The increase in number of annual certificates of inspection to domestic vessels during the year was 192, and increase in number of annual certificates issued to foreign passenger steamers, 9.

The total number of accidents resulting in loss of life during the year was 48; increase over previous year, 17; total number of lives lost, 404; increase over previous year, 121. Of the number of lives lost, 158 were passengers and 246 belonged to the crews of the vessels.

Inspection of foreign steam vessels.

Nationalities of foreign steam vessels.	Number.
British	192
German	57
Dutch	15
Norwegian	14
French	12
Belgian	11
Portuguese	3
Danish	4
Spanish	6
Japanese	7
Italian	3
Hawaiian	1
Total	325
Total gross tonnage	1,123,253

The total number of plates inspected was 4,288; plates rejected for various defects, 350; making the total number of plates passed inspection 3,938.

A statement is presented in the annual report of the Supervising Inspector-General which exhibits the present and past efficiency of the Service. During the last twenty-three years the annual average contingent expenses have been $42,809.76, as compared with an annual average of $47,313.81 for the five years 1872–76, inclusive. During the former period the annual average of passengers carried is estimated at 478,000,000, while during the latter there was only an annual average of 119,500,000. During the last twenty-three years there have been inspected 150,925 steamers, as compared with 19,019 for the five-year period above named. The average annual loss of life for the twenty-three-year period is given at 244, as against 360 for the five-year period.

COAST AND GEODETIC SURVEY.

The annual report of the Superintendent of the Coast and Geodetic Survey, illustrated by numerous maps showing the progress made during the fiscal year, contains a full account of the varied and important operations of this Bureau.

The operations there given are classified under two heads, "Office work" and "Field work." The former comprises four branches—administration, technical division, publications, and weights and measures. The latter is described under two heads, the first including those operations performed on land, and the second those carried out on tide water or near it.

The organization of the office has been somewhat changed during the fiscal year with the purpose of facilitating the execution of the field work and its quick publication.

Among the special investigations which have been completed in the course of the year are those pertaining to the great transcontinental arc—a most important work of the Survey begun a quarter of a century ago. This enterprise contemplated the extension of a scheme of triangulation from the Atlantic to the Pacific, furnishing standard reference points in a large number of States and numerous valuable points for the determination of heights, latitude and longitude, and other important data. In addition, its completion marks an important contribution to the determination of the earth's figure, a work in which all civilized nations of the earth are engaged, and in which this country has contributed its fair share.

The intricate and laborious computations necessary in this mass of work have all been brought to a successful conclusion, and the entire publication is now ready for the press.

The past year has marked the issue, by the Survey, of the largest number of charts in its history. The demand for accurate charts of the coast by commercial vessels and naval vessels has steadily increased. The total issue has been 50 per cent larger than the average for the past nine years, and the net sales have increased 32 per cent with reference to the same average.

In addition to the large increase in the issue of charts, the other publications of the Survey, including the annual report, with its technical papers, the Coast Pilot, Notices to Mariners, and the Tide Tables, have also met with an unprecedented demand, which has taxed the utmost abilities of the office to meet.

A new metal, consisting of an alloy of two parts of iron to one part of nickel, has been applied in the construction of precise levels, and on account of its extraordinarily low coefficient of expansion has contributed in a most satisfactory manner to the accuracy and value of the results obtained.

The Office of Standard Weights and Measures, attached to the Coast and Geodetic Survey, carries on a work of importance to the country, and one to which an increasing amount of attention will need to be given. With the acquisition of outlying territory using other standards, and in many cases with the standard weights and lengths but ill determined, the work of this Bureau finds a new and pressing field. In addition, the demands which are being made by all departments of

skilled manufactures, as well as by the scientific requirements of engineers and physicists, would seem to indicate that the time is near at hand when this Bureau must be prepared to furnish not only standards of weight and length and electrical units, but also standards for measuring thermometers, chemical apparatus, and the various forms of illuminating devices for commercial use. This matter is one of importance, and may well receive the attention of Congress for its proper maintenance and development.

For the first time in its history, the Coast and Geodetic Survey has been, under the authority of Congress, engaged in surveying the coast away from the mainland of the United States. By the act of March 4 last, the operations of this Bureau were extended so as to include not only the mainland of the United States, but also all islands, both in the Pacific and Atlantic, under the jurisdiction of the United States, and under this authority surveys in Porto Rico and Hawaii have been instituted.

In Porto Rico, at the request of the Navy Department, and at the solicitation of those interested in commercial steamers, surveys were begun on the south coast, and about 60 miles of this coast were successfully charted during the season, including the harbor of Jobos, which has been found to show a good depth of water for an entrance and to be a safe harbor of refuge for vessels of any draft.

On the Pacific coast the operations of the Survey have extended from the California boundary to the Yukon.

One of the most interesting and important details of work was the examination of the delta of the Yukon. This great stream enters Bering Sea by a number of mouths, and it is a matter of great importance to commerce to know the most expeditious point of entrance. The survey just completed shows that there is no entrance with a depth of more than 10 feet, and the hope that ocean steamers might find access to the river is not likely to be fulfilled. The result of the work has been of greatest importance to the interests of a large commerce now going to Alaska by way of St. Michaels. The mouth of this greatest American river entering the Pacific was found to be 25 miles further to the westward than had been previously supposed, which will add an area to Alaska of more than 2,000 square miles.

Other surveys in Alaska have been prosecuted in Prince William Sound, in the Lynn Canal, and in the mouth of Copper River.

The attention of Congress is respectfully called to the necessity for furnishing means for pushing the surveys in Alaskan waters as rapidly as the work can be done.

The enormous increase in the number of vessels plying to Alaskan ports has made necessary the immediate survey of a coast line of 10,000 miles in extent and the publication of many new charts. The many dangers of this coast, including the prevalence of fog, have caused the loss of a large number of vessels in the last few years—a

fact which calls for expeditious work, and the Survey has exhausted every effort during the past season to meet this unexpected demand as rapidly and as fully as possible.

While the Survey has, under the authority granted by Congress, conducted magnetic observations since its foundation, the great importance of this work, both to the navigator and the surveyor, has led, during the latter part of the fiscal year, to the establishment of the division of terrestrial magnetism, charged with the execution of the magnetic survey of the country. The plan contemplates the establishment of meridian lines and the determination of magnetic variation in the county seats in every State in the Union. With a very moderate appropriation, this entire work can be completed in ten years, and there is no direction in which the Survey can contribute more quickly and in a more practical way to the commercial and scientific interests of the country than in the successful completion of this work.

The United States has recently signed, in cooperation with the other leading nations, an international agreement for the measurement of the figure of the earth. At a meeting of the association which took place in Stuttgart last October the importance of permanent magnetic observatories in different parts of the earth was especially commended to the attention of the various nations composing the association, and the attention of the United States was particularly invited to the fact that the Hawaiian Islands, now a possession of the United States, are particularly adapted for the establishment of a permanent magnetic observatory.

The knowledge of the variation of the compass in the Pacific, which is destined to be more than ever important to American shipping interests, is still most imperfect.

The past season has seen the completion and fixation by temporary monuments of the boundary line between California and Nevada, extending a distance of 400 miles from Lake Tahoe to the Colorado River. The difficulty of running this line and of placing temporary monuments may be judged from the fact that the line crosses the White Mountains in Nevada at a height of 13,000 feet and passes for more than 100 miles through Death Valley and the Great American Desert.

The past year has seen the addition to the Coast Survey fleet of a new vessel, the *Pathfinder*. It was built at Elizabeth, N. J., and was especially designed for the survey of the passes in the Alaskan waters and the Aleutian Islands. The vessel was launched on December 7, 1898, and the occasion was made memorable by the inauguration, under the regulations of the Department, of a special service flag for Coast Survey vessels.

Every effort is being made in the direction of this important Bureau to contribute to the needs of commerce in all ways possible, and to obtain not only needful and accurate surveys, but to publish the results as quickly and in as useful a form as experience can suggest.

The attention of Congress is directed to the necessity for liberal support of the work of the Survey, particularly in the much-needed surveys of Alaskan waters, in the magnetic survey of the United States, and in the islands of the Pacific under the jurisdiction of the United States.

Weights and measures.

The acquisition of the Philippines and Porto Rico, the more intimate relations into which we have entered with Cuba, and the desire to extend our commerce with Mexico and Central and South America, in all of which countries the metric system has been established, induce the Secretary to call to the attention of Congress at this time the desirability of a reform in our system of weights and measures.

The attention of this Department has been called to a circular issued last April by the American Chamber of Commerce in Paris. It expresses the hope that the metric system will soon be adopted in the United States. In view of the coming exposition at Paris, the circular points out the great disadvantage of not using the metric system, and says that experience at former expositions has shown that buyers are deterred by complicated calculations from even examining and comparing samples and prices of American exhibits with those from other countries.

The intense commercial rivalry of nations warns us to leave nothing undone which might further our own interests, and there can be no doubt that the introduction of the metric system, to which this country stands pledged since the meeting of the International American Conference in 1890, would greatly facilitate international commercial transactions. Without doubt, Great Britain and Russia would follow the initiative of this country in this matter, and thus what a few decades ago would have been considered an unattainable ideal, namely, a system of weights and measures, common at least to all western nations, would be reached.

It is not the purpose of this recommendation to place before Congress a full discussion of this subject. The various committees appointed by it from time to time to consider this matter have made exhaustive reports covering aspects of the question no less important than the commercial one—reports always agreeing on the necessity for reform, always considering our present system a temporary one and out of harmony with our decimal notation and monetary system, and, since 1866, always recommending the introduction of the metric system.

The great difficulties which seemed to stand in the way appear to have been overrated, for its introduction into Germany, Austria, and other European countries was accomplished with little or no confusion. This Government, therefore, would not enter upon an untried experiment if its obligatory introduction in all governmental affairs were ordained, as it has been in the countries named.

The subject of a reform of our system of weights and measures

engaged the attention of Washington, Jefferson, Madison, and Adams, and in Congress the reports of Messrs. John A. Kasson in 1866, Alexander H. Stephens in 1879, and Charles W. Stone in 1896 and 1898, advocated the introduction of the metric system.

Among my predecessors, Robert J. Walker in 1847 urged it upon Congress, Secretary Chase gave it his support, and Secretaries Windom and Foster successively concurred in the favorable recommendation of Secretary of State Blaine. Secretary Carlisle adopted as fundamental standards for the Treasury Department the metric standards prepared at the International Bureau of Weights and Measures, an establishment maintained by the principal nations of the world. The various States of the Union were, by the action of Congress in 1866, supplied with copies of the principal metric standards.

All these facts exhibit a consistent endeavor on the part of the executive as well as the legislative branches of our Government, from its foundation to the present time, to reform our heterogeneous metrology.

As the present time seems most opportune and the matter of great importance, it is recommended that Congress take such action as will bring about the desired end.

LIGHT-HOUSE ESTABLISHMENT.

The increase of the Light-House Establishment during the last fiscal year is shown by the following tabular statement:

Increase during fiscal year 1899.

	1898.	1899.	Increase.
Light-houses	1,179	1,199	20
Light-vessels in position	44	46	2
Light-vessels for relief	6	7	1
Electric-lighted buoys in position	11	11	0
Gas-lighted buoys in position	55	67	12
Fog signals, operated by steam, caloric, or oil engines	158	160	2
Fog signals, operated by clockwork	209	217	8
Post lights	1,739	1,775	36
Day or unlighted beacons	439	475	36
Whistling buoys in position	70	70	0
Bell buoys in position	116	117	1
Other buoys in position, including pile buoys and stakes in Fifth district, and buoys in Alaskan waters	4,707	4,712	5
Steam tenders	31	33	2
Steam launches	11	11	0
Sailing tenders	2	3	1
Light-keepers	1,339	1,373	34
Other employees, including crews of light-vessels and tenders	1,226	1,249	23
Laborers in charge of post lights	1,356	1,363	7

The Board reports that 73 more light-houses, 2 light-vessels, and 2 light-house steam tenders will be finished and put into operation during the current fiscal year. This will cause an increase of about 150 in the number of light-keepers, of 16 in the number of officers, and of about 35 in the number of persons employed as the crews of these vessels.

The great prosperity of the country has caused large increase in the cost of material and labor. The operation of the eight-hour law causes

a further increase in the cost of that material into which labor largely enters. The operations of the tariff act, under which the Government is required to pay duties on all of its own importations and to the extent of 45 per cent on the illuminating apparatus which is to be used in the 73 light-houses now under construction, make the construction or the repair of light-houses cost more than formerly. These facts are brought to the attention of Congress in connection with the reasonable estimates of the Light-House Board for the supply and repair of light-houses during the coming fiscal year.

The estimate made by the Light-House Board for the pay of the salaries of light-keepers for the coming fiscal year is commended to the favorable consideration of Congress. It has been difficult for the Board to retain in its service the men whom it has trained in the care of the light-houses where the large revolving or flashing lights are used, the lenticular apparatus of which costs from $4,000 to $16,000, and where the revolving machinery is so delicate that a crushed insect will stop its operation. It is poor economy to place untrained or inexperienced men in charge of such costly and complicated machinery. The demand for skilled labor is now so great and the pay offered is so high that the Board does not hope to retain its trained keepers, or to supply their places with as good men to train, unless it can pay them properly. The Board is prohibited by statute from paying its keepers more than an average of $600 per man per year. But Congress has not provided an amount sufficient to pay light-keepers even that sum. The Board asks in its present estimates, and gives cogent reasons for so doing in its annual report, that it be authorized to employ not exceeding 1,600 keepers during the next fiscal year, and that an appropriation of $800,000 be made for their payment. The Department concurs in this request.

Attention is invited to the Board's statement that its restriction to the employment of not more than 1,400 light-keepers during the current fiscal year may prevent it from putting into commission the 73 light-houses which will be erected this year.

The Light-House Establishment of this country has maintained a certain preeminence among maritime nations by reason of the excellence, success, and even superiority, of the instruments for producing sound which it has been using as fog signals. Its example has been so far followed of late years that the Board feels it must use its best endeavors if it would maintain this position. Its estimate for the expenses of fog signals, which is based on this idea, is approved.

The light-vessels, especially on the Atlantic coast, were subjected to great strain and damage by the terrible storms of last August. Some of the light-vessels of the United States exhibit features unknown to the light-vessels of other countries. Strength, however, has not been subordinated to refinements in lighting or in sound signals. This is shown by the fact that light-vessel No. 69, which was torn from her

moorings off Diamond Shoal and thrown on shore near Cape Hatteras, was gotten off without the loss of life. The vessel was damaged more in getting her off the beach than by being stranded. The estimate for expenses of light-vessels for the coming fiscal year deserves favorable consideration.

The western rivers have been lighted so successfully and so economically that it is believed the system should be maintained and extended. The Department approves the Light-House Board's estimate for this purpose.

The successful experiments made by the Board, recorded in its annual report for 1895, in electrical communication between light vessels, and between light-vessels and shore stations, have not been put into practical operation because of lack of funds. The recent advance made in wireless telegraphy by other countries and the appreciation of the matter shown in this country induce the Department to hope that its endeavors to institute electrical communication between stations afloat and ashore may now receive consideration, and that the modest sum asked for that purpose may be appropriated.

The extension of the system of buoyage on our coasts, to keep pace with the increase of our commerce, has received careful attention. The report of the Light-House Board shows that, while something more than 5,000 buoys of all kinds are maintained, additional buoys demanded by the interests of commerce and navigation can not be supplied because adequate appropriations have not been made for the purpose.

The recent rapid growth of mining industries in the Northwest has stimulated commerce in Alaskan waters to such an extent that hundreds of buoys should be placed as aids to their navigation. It is hoped that Congress will concur with the Department and grant the increased appropriation desired for the expenses of buoyage during the next fiscal year.

The Light-House Board has endeavored to keep in store a full supply of buoys to enable it to replace promptly any that may be swept away or destroyed. This reserve supply has been drawn upon to such an extent that it is now well-nigh exhausted. It is urged that Congress make immediate provision for replenishing the reserve stock of buoys and appurtenances.

The boards of trade, chambers of commerce, and other organized bodies representing the vessel interests on the Pacific coast have vigorously demanded in numerous petitions that Alaskan waters be lighted at the earliest possible day in such manner as to do something for the safety of the immense commerce which has suddenly appeared in those inland seas. The justness of these requests is conceded, and the Light-House Board has now sufficient information to locate, approximately, the lights and fog signals which are most urgently required. It submits an estimate of the probable cost of establishing them, and it is

recommended that the sum of $300,000, requested by the Board for this purpose, be appropriated.

The methods now in use for maintaining existing lights on the coasts of our newly acquired possessions can only continue, it is supposed, while they are under military or other temporary government. When more permanent forms of government are instituted, the duty of maintaining present lights and establishing others will devolve on the Light-House Board. It is with this idea that estimates have been made by the Board for needed appropriations whenever it shall be called upon to assume this work.

LIFE-SAVING SERVICE.

In the Life-Saving Service the past year has been a notable one. The resources of the establishment have been taxed to the utmost. That portion of the year known as the stormy season, from October to March, was marked by a series of disturbances of extraordinary severity. In November, December, and February there were tempests of hurricane proportions along the Atlantic coast, the wind blowing for days at high velocities, in several instances upward of 70 miles an hour. There were also especially disastrous storms in October and November on the Great Lakes.

The wreck reports show that the appliances for saving life have proved their excellence on every occasion, while the courage and skill of the keepers and crews were equal to every emergency where success was not absolutely impossible.

The number of lives lost within the scope of the operations of the Service has been equaled only once in the past twenty years. Sixty-three persons perished, of whom 44 were lost in one district—the Second, comprising the coast of Massachusetts only—and 40 in one storm, the memorable tempest of November 26 and 27, 1898. One-half of these were on vessels which went to swift destruction in the night on offshore rocks and islands, none of which were visible, and the first intimation of disaster that was received on the mainland was derived from wreckage that came ashore in the morning.

It appears that the crews of the life-saving stations from Point Allerton to Gay Head, where the cyclone raged with great destructiveness, were as alert and efficient as men could be, and bravely performed their full duty on all occasions.

In marked contrast with this storm, as to results, was the blizzard of the following February, which was also phenomenal, raging from Texas to Massachusetts for several days (from the 8th to the 15th), and, therefore, afforded opportunity for much shipping to reach harbors of refuge and escape disaster. During its prevalence, however, the life-saving crews attended on 28 disasters, involving the lives of 230 persons, not a single one of whom was lost. The work of the station crews all along shore from the Gulf to Cape Cod was performed under extreme difficulties with fidelity and daring worthy of the highest admiration.

Equally admirable for courage and devotion, as well as skill, was the work of the crews of the Great Lakes. During the disastrous tempests of October and November, 1898, they were present at 28 wrecks, involving the lives of 162 persons, of whom none was lost. Indeed, during the entire season on the lakes, out of 263 disasters of all descriptions, only 3 persons perished.

The number of lives lost within the scope of the Service on the Pacific coast during the entire year was 13, of whom 11 were on board a small steamer, which capsized a mile from land and over 2 miles from the nearest life-saving station, and perished before help could reach them.

The aggregate loss of life in all the districts, excluding the Second, was only 19. Adding to this number the 4 persons lost in the Second district who were not among the victims of the hurricane of November 26 and 27, above referred to, would make a total loss of 23, which is considerably less than the average annual loss in recent years.

It is a pleasure to review thus briefly the work of the rank and file of this beneficent Service, and to call attention to their uniformly faithful and heroic conduct.

The number of disasters to documented vessels within the scope of the Service was 428. On board these vessels there were 3,903 persons, of whom 56 were lost. The estimated value of the vessels was $6,072,635, and that of the cargoes $2,032,005, making the total value of imperiled property $8,104,640. Of this amount, $6,261,900 was saved and $1,842,740 lost. The number of vessels totally lost was 72.

There were also 294 disasters to undocumented craft, comprising sailboats, rowboats, scows, etc., involving 671 persons, 7 of whom perished. The value of property involved is estimated at $138,535, of which amount $129,285 was saved and $9,250 lost. The aggregate is as follows:

Total number of disasters	722
Total value of property involved	$8,243,175
Total value of property saved	$6,391,185
Total value of property lost	$1,851,990
Total number of persons involved	4,574
Total number of persons lost	63
Total number of persons succored at stations	751
Total number of days' succor afforded	1,460
Number of vessels totally lost	72

During the year 72 persons who were not on vessels, and, therefore, not included in the foregoing summary, were rescued from positions of danger. In most instances they would have perished but for the aid afforded by the life-saving crews.

The crews saved, and assisted in saving, 387 vessels, valued, with their cargoes, at $2,968,255. Of this number, 267, valued, with their cargoes, at $925,650, were saved without outside assistance, with a loss or damage of only $58,285. In the remaining 120 instances the life-saving crews cooperated with wrecking vessels, tugs, revenue cutters,

and other agencies in saving property having an estimated value of $1,909,105, of a total amount of $2,042,605 imperiled.

Assistance of minor importance was rendered to 586 other vessels in distress, and there were 193 instances where vessels in danger of stranding were warned away by signals of the patrols.

At the close of the fiscal year the Service comprised 266 stations, of which number 194 were situated on the Atlantic and Gulf coasts; 56 on the coasts of the Great Lakes; 1 at the Falls of the Ohio, Louisville, Ky., and 15 on the Pacific coast.

The net expenditures for the maintenance of the Service during the year was $1,509,831.01.

The Petersons Point Station, State of Washington, which was mentioned in the report for 1898 as completed but not manned, has been manned and put in commission. The Great Boars Head Station, New Hampshire, and the Sandy Point Station, Rhode Island, reported as approaching completion, have been finished and put in commission.

The station reported under construction at Hog Island, Virginia, was completed during the year, and so were the stations reported in 1898 as undergoing reconstruction at Mantoloking, Island Beach, Ship Bottom, Little Egg, Brigantine, Pecks Beach, Corson Inlet, and Holly Beach, New Jersey, and also one at Toms River, New Jersey, which had become unsuitable for further use by reason of age and inadaptation to the needs of the Service.

A station was begun at Point Bonita, California, but was not completed.

SECRET SERVICE.

A gigantic counterfeiting conspiracy, directed by men of brains and means, which involved the reproduction of notes of the denominations of $10, $20, $50, $100, and $1,000, upon paper almost equal to the distinctive paper adopted by the Government, and the issue and use of a counterfeit internal-revenue stamp for packages of 50 cigars, was unearthed by the Secret Service. The promoters and engravers, and plates, paper, tools, and presses were captured, and the evidence secured was so complete that the principals had no other course than to plead guilty. A $100 silver certificate, which was the only one of the series placed in circulation, was so perfect that it passed the banks and subtreasuries, and was redeemed in the Treasury Department, and the entire Government issue of $26,000,000 was called in as the only sure method of stopping the further circulation of this dangerous counterfeit. The detection of the bill was followed, after fourteen months of patient investigation, by the complete exposure of a scheme involving the circulation of $10,000,000 in fraudulent notes, which, had it been successful, would have amounted to a calamity. Two attorneys at law of high repute, one of them a former district attorney of the United States, were so related to the conspiracy as to attempt the bribery of

one of the operatives of the Service. The integrity of the operative, however, could not be corrupted. The attempt resulted in the indictment, trial, and conviction of both attorneys for the crimes of conspiracy and bribery.

That the vigilance of the Secret Service affords a protection of the highest value to our currency is a matter which admits of no possible doubt. It is gratifying to realize that no scheme, however formidable, for counterfeiting the money of the country has long succeeded in escaping detection by the officers of this Service.

STATE BONDS AND STOCKS OWNED BY THE UNITED STATES.

The following statement shows the nonpaying State bonds and stocks, formerly in the Indian trust fund, now in the Treasury, and belonging to the United States:

Arkansas	$160,000.00
Florida	132,000.00
Louisiana	37,000.00
North Carolina	58,000.00
South Carolina	125,000.00
Tennessee	335,666.66⅔
Virginia	594,800.00
Total	1,442,466.66⅔

The above is a statement of the principal of such stocks and bonds, and does not include items of interest.

A settlement has already been effected with Arkansas under the act of Congress of August 4, 1894 (28 Stat., 229), as approved by the act of April 29, 1898 (30 Stat., 367). The compromise made under these acts included certain deductions and credits allowed for the claims of the State against the United States. The debt of the State was reduced thereby $633,000, leaving a balance of $160,000 due in bonds, the principal of which is shown in the above statement, bearing interest at 6 per cent, to be paid by the State on or before maturity, January 1, 1900.

The indebtedness of the State of Tennessee, as included in the above statement, is subject to such action as may be taken under the joint resolution of Congress, approved May 12, 1898 (30 Stat., pp. 742, 743), which provides for the adjustment of the claims between the United States and the State, with directions that any settlement or compromise effected by virtue of the act shall be reported to Congress for its action and approval. Arrangements are now being made, under the act referred to, between the representatives of the United States and the commission appointed by the State of Tennessee, looking to a conference in the near future, the result of which will be reported to Congress.

Section 4 of the act of March 3, 1899 (30 Stat., 1358), authorizes and directs the Secretary of the Treasury to institute any act or proceeding which he may consider advisable against any State indebted to

the United States on account of bonds or stocks issued or guaranteed by the State to secure payment of the principal and interest of said bonds or stocks. Under this authority, demand has been made upon the States of Florida, Louisiana, North Carolina, South Carolina, and Virginia for payment of the amounts due from them respectively. With regard to the indebtedness of Virginia, it may be said that one of the reasons heretofore advanced by the State for declining payment is that such bonds "were issued before the State of West Virginia was formed out of the territory of Virginia, and it was a condition precedent, assented to by the United States and by West Virginia, that 'the new State shall take upon itself a just proportion of the public debt of the Commonwealth of Virginia prior to the first day of January, 1861.'"

Failing to receive appropriate responses from the States named to the demands thus made, the Department will, in the absence of further instructions from Congress, pass the cases to the Attorney-General of the United States for appropriate action by his Department.

A history of these State stocks and bonds is given in House document No. 263, Fifty-fourth Congress, second session.

CENTRAL PACIFIC DEBT.

The agreement for the settlement in full of the indebtedness of the Central Pacific Railroad Company to the United States, made under date of February 1, 1899, between the United States, acting by the commission appointed under act of Congress approved July 7, 1898, the Central Pacific Railroad Company, and Messrs. Speyer & Co., bankers, was reported to Congress at its last session. This provided for the execution by the Central Pacific Railroad Company of its promissory notes for the amount of the whole indebtedness, principal and interest, to the United States growing out of the issue of bonds in aid of the construction of the Central Pacific and Western Pacific bond-aided railroads. Such notes were to be made payable, respectively, on or before the expiration of each successive six months for ten years, counting from the date of the agreement, and were to be secured by first refunding mortgage 4 per cent gold bonds issued by the Central Pacific Railroad Company, or its successor company having title to the railroads of that company. Such bonds were to form part of an issue which should not exceed $100,000,000 in all.

Within the period prescribed in said agreement, the Central Pacific Railroad Company delivered to the Treasurer of the United States its notes as provided therein, and, before the expiration of the time limited in said agreement therefor, Messrs. Speyer & Co. purchased at par and accrued interest four of these notes, aggregating, at their face value, $11,762,543.12.

Since the adjournment of the last Congress the first refunding mortgage 4 per cent gold bonds, which, under the settlement agreement,

were to be delivered to the United States as security for these notes, have been executed by the Central Pacific Railway Company, a corporation of the State of Utah, to which all the properties of the Central Pacific Railroad Company have been conveyed, and have been delivered to the Treasurer of the United States to the amount prescribed in said settlement agreement. It is not doubted that the promissory notes hereafter to mature, which are still held by the United States and secured by the deposit of such first refunding bonds, will be duly paid at or before their maturity. The United States, through the settlement agreement thus entered into, will be reimbursed the full amount of the principal and interest of the Central Pacific debt, aggregating $58,812,715.48.

THE STANDARD OF MONEY.

The state of the Treasury, as shown in its proper place, exhibits a degree of financial strength never before equaled. It places the Government in a position more favorable than has before existed to take any steps Congress may consider wise toward inaugurating needful improvements in the currency or judicious modifications in the banking laws. There are two points to which public attention has long been directed and upon which legislative action has been earnestly desired. These are, first, the money standard, and, second, a better adaptation of our currency system to the requirements of expanding trade and industry. Both of these questions are of prime importance to our well-being as a people, and demand the consideration which their importance justifies. Upon these two questions I feel it my duty to speak with earnestness.

First, as to the money standard. Gold now constitutes that standard. It is now, and for many years has been, the standard by which the values of all commodities, whether foreign or domestic, have been measured or declared. It is the standard to which reference has been had in all contracts or undertakings involving the future payment of money. It is the standard which tests the quality or value of the intermediate currency with which wages are paid and all, or nearly all, of the minor business affairs of the people are carried on. The debate over the relative merits of gold and silver as the true and proper money standard has been long and exhaustive; but while the discussion has continued the advanced nations of the earth, one after the other, with hardly an exception, have adopted gold as the more suitable for commercial needs. Indeed, it is vigorously asserted, and with truth, that the United States is in this very category—that our money standard is gold—and with some show of reason it is argued that nothing is required other than to "let things alone." Such a conclusion, however, does not commend itself to the judgment of those to whom stability in the future is not less important than good conditions in the present. More and more, as society advances in its power over nature and in the complexity of its industrial relationships, the present and the future are woven together.

The 300-ton craft, built of wood, that once might have realized the investment cost in a single voyage to the Indies, has been succeeded by the 10,000-ton steamship, built for years of service. The one was the product of a few men's hands, wrought with rude tools in a brief period of time. The other embodies in itself every diversity of skill, and science, and art. The one could safely venture its small investment in the hazards of a distant trade, even though barter was the rule of the exchanges. The other, combining in itself a vast aggregation of capital, must enter the service of a modern commerce, where enormous volume at lowest cost of carriage is the fundamental condition of success. The one was under the law of high hazards, with great possibilities of profit. The other is under the law of conservative safeguards against risk—of small rewards and uninterrupted employment. The illustration is applicable to modern industry in all its forms. The one word most important is stability—stability of conditions; and the most important feature to that stability is an established money standard, and so established that it can not be subverted or changed by any hasty or ill-considered action.

It has long been the desire and hope of many intelligent and patriotic citizens to secure needful and enduring stability in the money standard by an international agreement in regard to gold and silver, which would be effective to that end. The realization of that desire and hope seems now too remote to justify present consideration; but if those who still cherish it shall offer it in objection to the action above proposed, it is a sufficient answer to say that stability on the gold standard is the only stability now possible to us, and if the time should come when international agreement offers a safe and desirable substitution, the freedom of our representative form of government will give to our people the liberty of choice.

If it be true, as true it undoubtedly is, that gold is now our standard of money values, the future needs only the assurance that it will so continue to be, until at least the people shall be so united in their desire for a change therein as to be able to direct the voice of both Houses of Congress, and secure the approving signature of the Chief Executive. The confidence that Congress will furnish this kind of a guaranty has inspired enterprise, called capital into use, improved the condition of labor, and given new impetus to all our energies. To make this favorable state of affairs permanent, the highest security should be given that the common denominator of all calculations in value shall remain unchanged.

It is evident that a direct and effective way to do this would be to declare that the credit obligations of the Government itself, whether payable on demand or at a future period, shall be paid in gold coin of present weight and fineness; or it would be equally effective if, by positive law, it were made mandatory upon the Treasury Department so to pay and receive the two kinds of money—silver and gold—as to maintain their parity under all conditions. Such action would be in logical

conformity to what has already been established as the "policy" of the Government. To the end contemplated, the Treasury should be clothed with sufficient powers to meet all emergencies. The establishment of an ample fund, separate and apart from the general funds, to be held specifically as a redemption fund for demand liabilities, must be an important incident to such legislation. The recommendations of the President in this particular, if formulated into law, seem to be adequate.

BANKING AND CURRENCY.

In the beginning, law took no cognizance of banking. It grew into being as, in a free condition, the arts and trades and divisions in labor have grown. When society reached a stage where man could put confidence in man, credit was born. The producer or owner of property became willing to pass its ownership to another, against the buyer's promise to pay its equivalent value at a future time. Thus an enormous step forward was made. Brain and brawn, united to character, could then gain the use of the tools of production, and with their aid could win from the reluctant soil the value for the repayment of their cost. Ability, borrowing capital, could create capital. Thus the accumulations of society advanced from the rule of addition to that of multiplication. The men who desired the power which credit gave increased in number, and under the same law which developed the division of labor and the specialization of industry, the dealer in credit became specialized from the dealer in goods.

The man thus distinctively separated became known as the banker. Of necessity, he was a man of property and of acknowledged responsible character. His obligation was effective for the exchange of goods, and those of lesser repute or standing found it to their advantage to borrow his credit in exchange for their own. Possessed of financial resources of his own, represented largely in cash or money, it became natural for him and advantageous to the community that he should pay for local products at the point where they were produced, to take his reimbursement at some distant point to which they might be shipped and sold. He further became a natural temporary repository of the idle money of others, and this aided him to perform in a larger way his particular function. The above describes all he did then. It describes all he does now.

Summarized, he exchanges his effective credit for the less effective, or elsewhere ineffective, credit of those with whom he deals. He makes payment for goods in one place, and takes his pay in another. He makes payment for goods purchased at distant points, and takes his reimbursement at his home point, where they are bought and consumed. He receives deposits of money. These deposits, together with any unused balances of credit due to others, are evidenced by proper entries on his books. He carries in his money chest a percentage of all

the obligations thus evidenced sufficient to enable him to meet the calls for cash from such of his creditors as may require that form of payment. To such as could be well accommodated thereby he formerly gave his notes of hand, convenient in size and denomination.

To this list of operations carried on by the banker nothing can be added. It comprehends all his functions. It will be observed by the thoughtful that in no one of these is he able to operate, except in compliance with the desires of those with whom he deals. He is powerless to take the initiative in any of them. Whoever deals with him does it of choice, and not in obedience to any power of coercion the banker can exercise. Of all the members of the community, he is the one the most dependent. In the degree that he operates his function, to that degree he becomes a debtor, with all his liabilities immediately payable. He is under the highest bonds of self-interest to so carry himself as to win and retain the respect and confidence of his constituents and dealers. A failure on his part in this respect means disaster to his business and ruin to himself. Holding claims against the community, the value and solvency of which depend to a large degree upon continued activity and industry in trade, it is his interest to promote, as best he can, the conditions favorable to the prosperity of the community.

It would appear, then, that the banker as a private person might be safely left to pursue his calling without interference from the law, because it is evident that his own interest, if wisely considered, will guide him in those directions which it would be the policy of good laws to direct him to take.

With the growth of society, the increase of capital, and the increased demand upon the banker for the services he alone can render, the individual became powerless to meet fully the requirements of a developing situation. As in other departments of life, the strength of the individual was increased by association with his fellows. The delicate nature of the duties involved, together with the large responsibilities and many hazards which time and experience had shown to exist, made these cooperating individuals reluctant to stand fully and personally responsible.

To limit their individual risks, they sought authority from the law-making power to incorporate, with the limit of personal liability strictly defined. In this respect they followed the example set by associated efforts in many other forms of enterprise and industry. In this way only could the full power of association be utilized. Now, when the banker was thus given partial exemption as to responsibility, it became the duty of the law to put proper and just limitations upon "the exercise of his natural prerogatives." Exempted to a degree from the perils of ruin by the limitation of personal liability, it was right that this exemption should be accompanied by such limitations of his powers as the interests of the public should require. With limited responsibility, he was properly limited in the risks and hazards he might assume.

The justice of this will nowhere be denied. The question for examination is not whether limitations and prohibitions should be laid, but whether they are wisely and sufficiently imposed.

The development of our legislation during the last thirty-six years, which covers the history of the national-banking act and all amendments thereto, has thrown upon Congress a large responsibility for the effective working of that agency known as the bank. There seems to be, in some directions, an opinion that by the grace of government these institutions are established as a privilege to certain persons so favored; that they have no real occasion to be; that at best they are parasitical plants, drawing life and nourishment from the industrial tree to which they are attached, and to the well-being of which they contribute nothing. If this were true, no duty could be more immediate than to repeal all laws which give them existence, and, by one sweeping prohibitive act, forbid the exercise of their function. Whether it was wise for the General Government to legislate at all concerning them, it would be useless now to discuss. It is sufficient that this has been done, and by action, permissive in certain particulars and prohibitive in others, there have been evolved some 3,500 national banking institutions. Like other agencies which time has developed and made operative in the natural relations of men to each other, banks are valuable for the service they perform for the social whole. They are to be considered in this light alone. They ought neither to be made recipients of public favor or bounty, nor unduly constrained in those particulars where a proper liberty will insure to them a needful power for useful service.

In a government where the imperial edict can not be questioned, explanations are superfluous, but in a government of the people it is most desirable that all the people should understand the motives of action which govern the makers of the law, and be sufficiently wise to comprehend the scope and range of legislative dealing, so as to approve that which is right and condemn that which is wrong.

It is especially important that the legislator himself should have clear conceptions of the truth, and since that great, far-reaching influence covered by the term banking has come so largely under legislative control, it is doubly important that we understand the force and effects of that agency, that we should know intimately how it works in its details and comprehend the direct and reflex benefits, or evils, of the measures which may give liberty or impose repression.

Important as is the establishing of our money standard upon a safe and enduring basis, important as is the guarding of the national demand obligations by adequate reserves, these alone will still leave our financial system exposed to evils which ought to be cured. These evils arise out of our situation as it relates to the currency.

While stability in the currency should be safely guarded, *flexibility*—the power of needful expansion—must also be provided. The exercise

of this power, with proper limitations and restrictions, must be intrusted to the bank. There is no other agency that can wisely and efficiently execute it. In fact, the banks do exercise that power now in regard to the larger part of that element which, rightly understood, really constitutes the currency. It is a popular delusion that the bank deals in money. Money is an incident in its dealings—an important incident, no doubt—but, truly speaking, an incident only. The bank deals in *credits*. For a consideration, varying according to time, place, and circumstance, it gives to the public with whom it deals its own debt obligations in exchange for the debt obligations of its dealers and customers. The obligations of the bank thus created are generally evidenced by a credit upon its books to the dealer, who has the right to draw upon it by his checks or drafts as his convenience may be served. The constant interchange of credits between the bank and its dealers, with the enormous volume of checks and drafts passing between buyer and seller constitutes in the broadest sense the currency of the country. It is these instruments which trade uses in much the larger part of all its operations. Money—real money, gold or silver—plays but a small part in the multitudinous exchanges. The total money of the country—metallic and paper—is less than two thousand millions, while the "deposits" of the commercial banks, State and national, aggregate more than four thousand millions.

Whence comes this excess of two thousand millons on deposit? It represents, as, indeed, does the whole deposit fund, the unused credits belonging to the bankers' public, temporarily at rest in the bankers' hands. But the period of such rest is extremely short. Through the clearing houses of the country, this great fund is each month invaded by checks and drafts to the total of more than eight thousand millions. By this calculation, in one-half of one month the whole deposit fund would be exhausted; and so it would, were it not that the recipients of these checks themselves prefer a credit upon their bankers' books. Thus it comes that these checks and drafts are rather instruments for the transfer of property and credit than for the realization of money. They, however, perform in our domestic commerce and trade the same function that the dollar note of the Government, or the fractional silver coin, performs—that is to say, they are the agency by which goods are passed from one to another and by which trade accounts are settled. Thus it would appear that in the department of our commercial life, where checks and drafts and bank credits constitute the real currency, the movement of expansion and contraction is now governed by the mutual action of the banks and the business public.

If what is above written is true, it must be recognized that in the larger affairs of our commercial life, the "currency" supply is, as a rule, equal to the demand. In other words, when the operations of trade are in their usual and regular groove, bank credits, with the accessories of checks and drafts, furnish all the mechanism of exchange that trade

requires. With a periodical regularity, however, clearly marked, occurring year after year with the autumnal season, these instruments of exchange are proved to be inefficient for the service then required. Then the crops are to be harvested, the labor cost paid. The grain and the cattle are to be marketed. The western bankers and merchants who have funds or credit at rest with the bankers in the financial centers find that checks and drafts are not suited to the purposes now in question. The bank credit is all right *per se*, but the form in which that credit is evidenced is not convenient. What they need for these uses is a form of credit instrument easily recognized by the people, one convenient as to denomination, and one which will pass from hand to hand without being questioned. In short, their need is for paper money, or hard cash.

Now, subject to one limitation—that of safety to the note holder, a qualification never to be disregarded—it is impossible for anyone to name a good reason why the indebtedness of the banker in this field of the exchanges should not be expressed as freely in his notes of hand of convenient size as in one consolidated entry to the credit of his dealer upon his books of account. It is precisely at this point that difficulty, embarrassment, and loss are occasioned. What would be a natural, economical, and effective operation is by the inhibitions and restrictions of law now made impossible. In a state of freedom, the extraordinary wants of the country at harvest time would be largely, if not wholly, met by the conversion of bank balances, not available for these general purposes, into bank notes or paper money. These, performing their function, would again return when their service was ended, to be again transformed into "balances in bank," where, through the medium of checks and drafts, the larger commercial uses would be the better served.

I have said that the present inhibitions and restrictions of the law make this natural course impossible. The prohibitive tax of 10 per cent upon the notes of State banks and the unreasonable restrictions and conditions imposed upon national banks as a condition of note issues by them are pointed to in justification of this statement. I can not do better, perhaps, than here to illustrate the argument by recent financial history. I take the facts from New York records. They are the most complete and the most instructive, although any other commercial center might be selected for example. On August 26, last, the banks of New York held in "deposits"—*i. e.*, unliquidated debts to the public—the large amount of $858,000,000. They held claims against the public (outstanding loans) amounting to $756,000,000. They held in cash—that is to say, various forms of money legal tender by law—upward of $227,000,000. The relation of things to each other was apparently normal and satisfactory. The merchant or the manufacturer or the general dealer could exchange his obligations with the bank for the bank's obligation to him through a credit upon its books at the low cost of 2½, 3, or 4 per cent per annum. The "reserves" of the banks, that controlling factor which

finally limits their power to expand credit operations, were ample. About this time a new influence made itself felt. Bankers and merchants living in the interior or the farther west, who owned or controlled a portion of the credit balances standing on the books of the New York banks, needed to realize to some extent their balances in a form of credit obligation which would be convenient for the payment of harvest hands and the other incidentals of crop gathering.

These conditions were known to my distinguished predecessor, Secretary Windom. He was familiar by experience with affairs in the great industrial centers, no less than he was with the needs of his own State, famous for its agriculture, and weight should be given to this authoritative declaration, which is to be found in his annual report for the year 1890:

In my judgment, the gravest defect in our present financial system is its lack of elasticity. * * * The demand for money, in this country, is so irregular that an amount of circulation which will be ample during ten months of the year will frequently prove so deficient during the other two months as to cause stringency and commercial disaster. * * * The crops of the country have reached proportions so immense that their movement to market, in August and September, annually causes a dangerous absorption of money. The lack of a sufficient supply to meet the increased demands during those months may entail heavy losses upon the agricultural as well as upon other business interests.

If the New York banks could have issued their notes in the form of paper money, they would have furnished them, and thus discharged the credits standing upon their books, and this would have entirely satisfied interior and western needs. In that case there would have been no expansion of credits. By so much as notes were issued, by so much book credits would have been canceled. The bank statement would have been expressed in different form, with no material change in fact. "Deposits" would have diminished, "circulating notes" by so much would have been increased, the total would remain the same. The cash "reserves," remaining unaffected, would have continued to be a sufficient guard to liabilities, and the course of the loan and discount market would have had no shock. But, as before stated, this course was not open. Nevertheless, the interior and western demand had to be met in the form in which that demand was expressed. In the absence of alternative, resort was of necessity had to the cash reserves. Between August 26 and October 14, twenty-three millions of this fund, which limits and restricts the general credit operations of the banks, were sent to perform a function which could have been as effectively performed by bank notes of suitable denominations. Consider now the effect this produced. As stated, $23,000,000 were sent out from the reserves. This depletion destroyed the guard of cash required by law for $92,000,000 of deposits. The banks were no longer able to continue their main function, which is to give their credit in exchange for the credit of the individual. On the contrary, it became imperative, under

the reduced holdings of cash, in order to bring liabilities down, to collect their claims from the public, and by this process reduce their credit obligations (deposits) to the public.

Interest—or, more truly speaking, the bank's charge for exchanging its credit against private credit—rose from 2½, 3, or 4 per cent to 10, 15, 25, 40 per cent. That element of the currency which bank credits furnished was contracted within a period of nine weeks to the extent of $84,000,000. In common parlance, deposits were reduced to that extent. Put in the shortest form: In order to supply the interior with the use of a medium of exchange for a few weeks, to the amount of $23,000,000, havoc was wrought in the regular ongoing of our commercial life.

It is pertinent to inquire whether this is the best of which we are capable. Other countries offer us models which it may profit us to study. Certain it is that perturbations in our finances often bring far-reaching and destructive effects to trade and industry. Equally certain it is that in other countries such perturbations do not result in similar general disaster. It is not an agreeable task to point out defects and weaknesses without offering effective remedies, and it is much easier to criticise than to create. In my opinion, however, the path to better conditions is quite plainly marked. Society, left in a state of comparative freedom, has by slow steps worked out for itself those tools and appliances and methods best suited to its needs. The practice of banking is as natural an evolution as is the locomotive or the steamship, and in its relation to modern industry and commerce it is hardly less important and serviceable. Note issuing was a development of the natural function of a bank, that function being to make private credit effective to commercial and industrial needs. What the bank credit does in a large way, with the aid of checks and drafts, the bank note does in a smaller, but equally necessary, way.

I have said that foreign systems of banking afford objects of profitable study. We need not go so far. Forty years ago, before the imperative needs of the Government repressed the natural development of banking, there had already become established in several States banking systems filling to a high degree of perfection the services which such institutions should render to the public. The New England system, those of Ohio, Indiana, Louisiana, and New York—while differing from each other in many particulars and not equally effective—were all safe and substantially adequate to public needs.

It is the general theory of our Government that the largest liberty should be enjoyed by the people, subject only to such restraints as the welfare and safety of the whole may require, and in the field of banking it may be affirmed that this principle should be observed.

I beg now to point out some of the general limitations and restrictions which Congress has imposed in this department, and inquire as to their justice, wisdom, and adequacy.

1. As to conditions of capitalization. The law requires a minimum capital of $50,000 as a precedent to organization under the national-bank act. While this would seem to be a fair and moderate limit, it is undoubtedly too large for the resources of small communities, where banking facilities are much needed, and it is suggested that for places of a population of 1,000 or less the minimum be reduced to $25,000.

2. The national-bank act clearly recognizes the note-issuing function as a proper one, but it is plain that the original conditions and limitations imposed have, under changing conditions, become substantially prohibitive in their terms. This ought to be restudied, and as large a liberty given as may be consistent with safety in the exercise of that useful function.

3. The law prescribes percentages which national banks shall carry in cash against their deposits and limits the amount of risk which the bank shall take in loans to any one individual, firm, or corporation. The percentage of cash reserves seems to have justified in practice the provision of the law, but the limitations on loans have been found to work with great inequality. The recommendations of the Comptroller of the Currency on this point, to be found in his report to Congress last year, merit careful consideration.

4. While limitations and restrictions exist in several directions, no limitation has ever been given as to the ultimate liability a bank may carry upon a given amount of capital. Upon this point the bank with $50,000 capital stands legally as free as does the bank with $5,000,000 capital. Cash reserves are a defensible subject of legislation, because they affect the immediate solvency of the bank. The limitation of liability compared with capital is equally so, since the percentage of capital and accumulated surplus affects the ability of the bank to bear its own losses. Capital, loans, and deposits bear healthful and proper relations to each other. Everything else being equal, the measure of risk is determined by the extent of the loans; and for the ultimate solvency of the bank as to its deposits, the capital of the bank is the proper guaranty. The capital should, therefore, be relative and fairly adequate to the risks involved.

It is mainly in the lack of adequacy to public needs that our national system is at fault. The repressive effect upon note issues destroys, or injuriously limits, one of its very important functions. How in certain particulars this injury results I have tried truthfully to show. In view of the weakness and limitations which time and experience have brought under notice, efforts have been made to modify the national-banking act. In the House of Representatives of the last Congress, certain bills were proposed embodying measures which I believe would be effective toward needed reform. These measures in their general principles are approved by the informed judgment of the most thoughtful of our people. It is to be expected that they will be again offered for the

consideration of the present Congress. Without indulging in specific recommendations at this time, which if made could be but repetitions of previous recommendations, I commend the subject to the thoughtful attention of the legislative body.

L. J. GAGE, *Secretary.*

To the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

TABLE A.—STATEMENT OF THE OUTSTANDING PRINCIPAL OF THE PUBLIC DEBT OF THE UNITED STATES JUNE 30, 1899.

	Length of loan.	When redeemable.	Rate of interest.	Price at which sold.	Amount authorized.	Amount issued.	Amount outstanding.
OLD DEBT.							
For detailed information in regard to the earlier loans embraced under this head, see Finance Report for 1876.	.....	On demand ...	5 and 6 per cent.	.....	Indefinite.....	.....	$151,755.26
TREASURY NOTES PRIOR TO 1846.							
Acts of October 12, 1837 (5 Statutes, 201); May 21, 1838 (5 Statutes, 228); March 2, 1839 (5 Statutes, 323); March 31, 1840 (5 Statutes, 370); February 15, 1841 (5 Statutes, 411); January 31, 1842 (5 Statutes, 469); August 31, 1842 (5 Statutes, 581), and March 3, 1843 (5 Statutes, 614).	1 and 2 years	1 and 2 years from date.	$\frac{1}{10}$ of 1 to 6 per cent.	Par.....	$51,000,000.00	$47,002,900.00	(a)
TREASURY NOTES OF 1846.							
Act of July 22, 1846 (9 Statutes, 39)	1 year.....	1 year from date.	$\frac{1}{10}$ of 1 to $5\frac{2}{5}$ per cent.	Par.....	10,000,000.00	7,687,800.00	(a)
MEXICAN INDEMNITY.							
Act of August 10, 1846 (9 Statutes, 94)	5 years.....	5 years from date.	5 per cent...	Par.....	320,000.00	303,573.92	(a)
TREASURY NOTES OF 1847.							
Act of January 28, 1847 (9 Statutes, 118)	1 and 2 years	1 and 2 years from date.	$5\frac{2}{5}$ and 6 per cent.	Par.....	23,000,000.00	b 26,122,100.00	(a)
TREASURY NOTES OF 1857.							
Act of December 23, 1857 (11 Statutes, 257)	1 year.....	1 year from date.	3 to 6 per cent.	Par	Indefinite.....	52,778,900.00	(a)
BOUNTY-LAND SCRIP.							
Act of February 11, 1847 (9 Statutes, 125)	Indefinite...	At the pleasure of the Government.	6 per cent..	Par.....	Indefinite.....	233,975.00	(a)
LOAN OF 1847.							
Act of January 28, 1847 (9 Statutes, 118)	20 years.....	Jan. 1, 1868....	6 per cent...	$1\frac{1}{4}$ to 2 per ct. pre.	23,000,000.00	c 28,230,350.60	950.00
TEXAN INDEMNITY STOCK.							
Act of September 9, 1850 (9 Statutes, 447)	14 years.....	Jan. 1, 1865....	5 per cent...	Par.....	10,000,000.00	5,000,000.00	20,000.00
LOAN OF 1858.							
Act of June 14, 1858 (11 Statutes, 365)	15 years.....	Jan. 1, 1874....	5 per cent...	Av. pre. of $3\frac{29}{100}$.	20,000,000.00	20,060,000.00	2,000.00
LOAN OF FEBRUARY, 1861 (1881s).							
Act of February 8, 1861 (12 Statutes, 129)	10 or 20 years	Dec. 31, 1880...	6 per cent...	(Av.) 89.03	25,000,000.00	18,415,000.00	5,000.00
TREASURY NOTES OF 1861.							
Act of March 2, 1861 (12 Statutes, 178)	60 days or 2 years.	60 days or 2 years after date.	6 per cent...	Par to $1\frac{2}{100}$ per ct. pre.	Indefinite.....	35,364,450.00	2,450.00
OREGON WAR DEBT.							
Act of March 2, 1861 (12 Statutes, 198)	20 years.....	July 1, 1881 ...	6 per cent...	Par.....	2,800,000.00	1,090,850.00	2,500.00

a Included in "old debt." b Including reissues. c Including conversion of Treasury notes.

TABLE A.—STATEMENT OF THE OUTSTANDING PRINCIPAL OF THE PUBLIC DEBT, ETC.—Continued.

	Length of loan	When redeemable.	Rate of interest.	Price at which sold.	Amount authorized	Amount issued.	Amount outstanding.
LOAN OF JULY AND AUGUST, 1861.							
The act of July 17, 1861 (12 Statutes, 259), authorized the issue of $250,000,000 bonds, with interest at not exceeding 7 per centum per annum, redeemable after twenty years. The act of August 5, 1861 (12 Statutes, 316), authorized the issue of bonds, with interest at 6 per centum per annum, payable after twenty years from date, in exchange for 7-30 notes issued under the act of July 17, 1861.	20 years....	After June 30, 1881.	6 per cent..	Par	$250,000,000.00	$189,321,350.00	$20,55[illegible].00
LOAN OF JULY AND AUGUST, 1861.							
Continued at 3½ per cent interest, and redeemable at the pleasure of the Government.	Indefinite .	At the pleasure of the Government.	3½ per cent..	Par	.....	.....	[illegible]00
OLD DEMAND NOTES.							
Acts of July 17, 1861 (12 Statutes, 259); August 5, 1861 (12 Statutes, 313); February 12, 1862 (12 Statutes, 338).	Indefinite	On demand .	None	Par ...	60,000,000.00	60,030,000.00	5[illegible].00
SEVEN-THIRTIES OF 1861.							
Act of July 17, 1861 (12 Statutes, 259)	3 years.....	Aug. 19 and Oct. 1, 1864.	7.30 per cent	Av. pre. of 100.000.	Indefinite ...	129,999,750.00	9[illegible].00
FIVE-TWENTIES OF 1862.							
Acts of February 25, 1862 (12 Statutes, 345), March 3, 1863 (12 Statutes, 15), and January 28, 1865 (13 Statutes, 425).	5 or 20 years	May 1, 1867	6 per cent	Av. pre of 100.000.	515,000,000.00	514,771,600.00	2[illegible].00
LEGAL-TENDER NOTES.							
The act of February 25, 1862 (12 Statutes, 345), authorized the issue of $150,000,000 United States notes, not bearing interest, payable to bearer at the Treasury of the United States, and of such denominations, not less than five dollars, as the Secretary of the Treasury might deem expedient, $50,000,000 to be applied to the redemption of demand notes authorized by the act of July 17, 1861; these notes to be a legal tender in payment of all debts, public and private, within the United States, except duties on imports and interest on the public debt, and to be exchangeable for 6 per cent United States bonds. The act of July 11, 1862 (12 Statutes, 532), authorized an additional issue of $150,000,000, of such denominations as the Secretary of the Treasury might deem expedient, but no such note should be for a fractional part of a dollar, and not more than $35,000,000 of a lower denomination than five dollars; these notes to be a legal tender as before authorized. The act of March 3, 1863 (12 Statutes, 710), authorized an additional issue of $150,000,000, of such denominations, not less than one dollar, as the Secretary of the Treasury might prescribe; which notes were made a legal tender as before authorized. The same act limited the time in which the	Indefinite .	On demand...	None	Par ...	450,000,000.00	.....	346,681,016.00

Treasury notes might be exchanged for United States bonds to July 1, 1863. The amount of notes authorized by this act were to be in lieu of $100,000,000 authorized by the resolution of January 17, 1863 (12 Statutes, 822). The act of May 31, 1878 (20 Statutes, 87), provides that no more of the United States legal-tender notes shall be canceled or retired, and that when any of said notes are redeemed or received into the Treasury under any law, from any source whatever, and shall belong to the United States, they shall not be retired, canceled, or destroyed, but shall be reissued and paid out again, and kept in circulation.							
TEMPORARY LOAN.							
Acts of February 25, 1862 (12 Statutes, 346); March 17, 1862 (12 Statutes, 370); July 11, 1862 (12 Statutes, 532), and June 30, 1864 (13 Statutes, 218).	Indefinite...	After 10 days' notice.	4, 5, and 6 per cent.	Par.....	150,000,000.00	a716,099,247.16	2,850.00
CERTIFICATES OF INDEBTEDNESS.							
Acts of March 1, 1862 (12 Statutes, 352); May 17, 1862 (12 Statutes, 370), and March 3, 1863 (12 Statutes, 710).	1 year.....	1 year after date.	6 per cent...	Par.....	No limit.....	561,753,241.65	3,000.00
FRACTIONAL CURRENCY.							
Acts of July 17, 1862 (12 Statutes, 592); March 3, 1863 (12 Statutes, 711), and June 30, 1864 (13 Statutes, 220).	Indefinite...	On presentation.	None.....	Par.....	50,000,000.00	a368,720,079.51	6,881,408.66
LOAN OF 1863.							
The act of March 3, 1863 (12 Statutes, 709), authorized a loan of $900,000,000, and the issue of bonds, with interest not exceeding 6 per centum per annum, and redeemable in not less than ten nor more than forty years, principal and interest payable in coin. The act of June 30, 1864 (13 Statutes, 219), repeals the above authority, except as to the $75,000,000 of bonds already advertised for.	17 years.....	July 1, 1881...	6 per cent...	Av. pre. of $4\frac{7.3}{10.0}$.	75,000,000.00	75,000,000.00	7,100.00
Bonds of this loan continued at $3\frac{1}{2}$ per cent interest, and redeemable at the pleasure of the Government.	Indefinite...	At the pleasure of the Government.	$3\frac{1}{2}$ per cent..	Par.....	.....	.....	100.00
ONE-YEAR NOTES OF 1863.							
Act of March 3, 1863 (12 Statutes, 710).....	1 year.....	1 year after date.	5 per cent...	Par.....	400,000,000.00	44,520,000.00	31,585.00
TWO-YEAR NOTES OF 1863.							
Act of March 3, 1863 (12 Statutes, 710).....	2 years.....	2 years after date.	5 per cent...	Par.....	400,000,000.00	166,480,000.00	27,200.00
COMPOUND-INTEREST NOTES.							
Acts of March 3, 1863 (12 Statutes, 710), and June 30, 1864 (13 Statutes, 218).	3 years.....	3 years from date.	6 per cent compound.	Par.....	400,000,000.00	266,595,440.00	167,330.00

a Including reissues.

TABLE A.—STATEMENT OF THE OUTSTANDING PRINCIPAL OF THE PUBLIC DEBT, ETC.—Continued.

	Length of loan.	When redeemable.	Rate of interest.	Price at which sold.	Amount authorized.	Amount issued.	Amount outstanding.
TEN-FORTIES OF 1864.							
Act of March 3, 1864 (13 Statutes, [illegible])	10 or 40 years	March 1, 1874	5 per cent	Par to 7 per ct. prem.	$200,000,000 00	$196,118,300.00	$20,050.00
FIVE-TWENTIES OF 1864.							
Act of June 30, 1864 (13 Statutes, 218)	5 or 20 years	Nov. 1, 1869	6 per cent	Av. pre. of 2 $\frac{531}{1000}$.	400,000,000.00	125,561,200.00	15,900.00
SEVEN-THIRTIES OF 1864 AND 1865.							
Acts of June 30, 1864 (13 Statutes, 218), January 28, 1865 (13 Statutes, 425), and March 3, 1865 (13 Statutes, 495)	3 years	Aug. 15, 1867 June 15, 1868 July 15, 1868	7 3/10 per cent	Av. pre. of 2 $\frac{[illegible]}{1000}$.	800,000,000.00	a829,992,500.00	123,450.00
FIVE-TWENTIES OF 1865.							
Acts of March 3, 1865 (13 Statutes, 468), and April 12, 1866 (14 Statutes, 31).	5 or 20 years	Nov. 1, 1870	6 per cent	Av. pre. of 3 $\frac{[illegible]}{1000}$.	Indefinite	203,327,250.00	21,850.00
CONSOLS OF 1865.							
Acts of March 3, 1865 (13 Statutes, 468), and April 12, 1866 (14 Statutes, 31).	5 or 20 years	July 1, 1870	6 per cent	Av. pre. of 1 $\frac{693}{1000}$.	Indefinite	352,998,900.00	75,050.00
CONSOLS OF 1867.							
Acts of March 3, 1865 (13 Statutes, 468), and April 12, 1866 (14 Statutes, 31).	5 or 20 years	July 1, 1872	6 per cent	Av. pre. of 1 $\frac{[illegible]}{1000}$.	Indefinite	379,618,000.00	123,100.00
CONSOLS OF 1868.							
Acts of March 3, 1865 (13 Statutes, 468), and April 12, 1866 (14 Statutes, 31).	5 or 20 years	July 1, 1873	6 per cent	Av. pre. of [illegible]	Indefinite	42,539,350.00	11,250.00
THREE-PER-CENT CERTIFICATES.							
Acts of March 2, 1867 (14 Statutes, 558), and July 25, 1868 (15 Statutes, 183).	Indefinite	On demand	3 per cent	Par	75,000,000.00	a85,155,000.00	5,000.00
FIVE-PER-CENT LOAN OF 1881.							
The act of January 14, 1875 (18 Statutes, 296), authorizes the Secretary of the Treasury to use any surplus revenues from time to time in the Treasury not otherwise appropriated, and to issue, sell, dispose of, at not less than par, in coin, either of the description of bonds of the United States described in the act of July 14, 1870 (16 Statutes, 272), to the extent necessary for the redemption of fractional currency in silver coins of the denominations of ten, twenty-five, and fifty cents of standard value.							

The act of March 3, 1875 (18 Statutes, 466), directs the Secretary of the Treasury to issue bonds of the character and description set out in the act of July 14, 1870 (16 Statutes, 272), to James B. Eads, or his legal representatives, in payment at par of the warrants of the Secretary of War for the construction of jetties and auxiliary works to maintain a wide and deep channel between the South Pass of the Mississippi River and the Gulf of Mexico, unless Congress shall have previously provided for the payment of the same by the necessary appropriation of money.							
The act of July 14, 1870 (16 Statutes, 272), authorizes the issue of $200,000,000 at 5 per centum, principal and interest payable in coin of the present standard value, at the pleasure of the United States Government, after ten years; these bonds to be exempt from the payment of all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority. Bonds and coupons payable at the Treasury of the United States. This act not to authorize an increase of the bonded debt of the United States. Bonds to be sold at not less than par in coin, and the proceeds to be applied to the redemption of outstanding 5-20's or to be exchanged for said 5-20's, par for par. Payment of these bonds, when due, to be made in order of dates and numbers, beginning with each class last dated and numbered. Interest to cease at the end of three months from notice of intention to redeem. The act of January 20, 1871 (16 Statutes, 399), increases the amount of 5 per cents to $500,000,000, provided the total amount of bonds issued shall not exceed the amount originally authorized, and authorizes the interest on any of these bonds to be paid quarterly.	10 years....	May 1, 1881...	5 per cent...	Par.....		$17,994,150.00	28,250.00
The act of December 17, 1873 (18 Statutes, 1), authorized the issue of an equal amount of bonds of the loan of 1858, which the holders thereof may, on or before February 1, 1874, elect to exchange for the bonds of this loan.					1,500,000,000		
FOUR-AND-ONE-HALF-PER-CENT LOAN OF 1891. (REFUNDING.)							
The act of July 14, 1870 (16 Statutes, 272), authorizes the issue of $300,000,000 at 4½ per centum, payable in coin of the present standard value, at the pleasure of the United States Government, after fifteen years; these bonds to be exempt from the payment of all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority. Bonds and coupons payable at the Treasury of the United States. This act not to authorize an increase of the bonded debt of the United States. Bonds to be sold at not less than par in coin, and the proceeds to be applied to the redemption of outstanding 5-20's or to be exchanged for said 5-20's, par for par. Payment of these bonds, when due, to be made in order of dates and numbers, beginning with each class last dated and numbered. Interest to cease at the end of three months from notice of intention to redeem.	15 years....	Sept. 1, 1891...	4½ per cent..	Par.....		185,000,000.00	112,850.00

a Including reissues.

TABLE A.—STATEMENT OF THE OUTSTANDING PRINCIPAL OF THE PUBLIC DEBT, ETC.—Continued.

	Length of loan.	When redeemable.	Rate of interest.	Price at which sold.	Amount authorized.	Amount issued.	Amount outstanding.
FOUR-AND-ONE-HALF-PER-CENT LOAN OF 1891. (RESUMPTION.)							
The act of January 14, 1875 (18 Statutes, 296), authorizes the Secretary of the Treasury to use any surplus revenues from time to time in the Treasury not otherwise appropriated, and to issue, sell, dispose of, at not less than par in coin, either of the descriptions of bonds of the United States described in the act of July 14, 1870 (16 Statutes, 272), for the purpose of redeeming, on and after January 1, 1879, in coin, at the office of the assistant treasurer of the United States in New York, the outstanding United States legal-tender notes when presented in sums of not less than fifty dollars.	15 years.....	Sept. 1, 1891...	4½ per cent..	Par to 1½ per ct. pre.	Indefinite.....	$65,000,000.00	
FOUR-PER-CENT LOAN OF 1907. (REFUNDING.)							
The act of July 14, 1870 (16 Statutes, 272), authorizes the issue of $1,000,000,000 at 4 per centum, payable in coin of the present standard value, at the pleasure of the United States Government, after thirty years; these bonds to be exempt from the payment of all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority. Bonds and coupons payable at the Treasury of the United States. This act not to authorize an increase of the bonded debt of the United States. Bonds to be sold at not less than par in coin, and the proceeds to be applied to the redemption of outstanding 5-20's, or to be exchanged for said 5-20's, par for par. Payment of these bonds, when due, to be made in order of dates and numbers, beginning with each class last dated and numbered. Interest to cease at the end of three months from notice of intention to redeem. See Refunding Certificates, page cvi.	30 years.....	July 1, 1907..	4 per cent...	Par to ½ per ct. pre.		710,887,100.00	$559,652,300.00
FOUR-PER-CENT LOAN OF 1907. (RESUMPTION.)							
The act of January 14, 1875 (18 Statutes, 296), authorizes the Secretary of the Treasury to use any surplus revenues from time to time in the Treasury not otherwise appropriated, and to issue, sell, dispose of, at not less than par, in coin, either of the description of bonds of the United States described in the act of July 14, 1870 (16 Statutes, 272), for the purpose of redeeming, on and after January 1, 1879, in coin, at the office of the assistant treasurer of the United States in New York, the outstanding United States legal-tender notes when presented in sums of not less than fifty dollars.	30 years.....	July 1, 1907...	4 per cent...	Par...	Indefinite.....	30,500,000.00	

CERTIFICATES OF DEPOSIT.							
The act of June 8, 1872 (17 Statutes, 336), authorizes the deposit of United States notes without interest by banking associations in sums not less than $10,000 and the issue of certificates therefor in denominations of not less than $5,000; which certificates shall be payable on demand in United States notes, at the place where the deposits were made. It provides that the notes so deposited in the Treasury shall not be counted as a part of the legal reserve, but that the certificates issued therefor may be held and counted by the national banks as part of their legal reserve, and may be accepted in the settlement of clearing-house balances at the place where the deposits therefor were made, and that the United States notes for which such certificates were issued, or other United States notes of like amount, shall be held as special deposits in the Treasury, and used only for the redemption of such certificates.	Indefinite	On demand	None	Par	No limit	64, 780, 000. 00	21, 325, 000. 00
GOLD CERTIFICATES.							
The act of March 3, 1863 (12 Statutes, 711), authorizes the Secretary of the Treasury to receive deposits of gold coin and bullion in sums of not less than twenty dollars, and to issue certificates therefor in denominations of not less than twenty dollars each; the coin and bullion deposited for or representing the certificates to be retained in the Treasury for the payment of the same on demand. The certificates so issued to be received at par in payment of interest on the public debt and for duties on imports. The act of July 12, 1882 (22 Statutes, 165), provides that the Secretary of the Treasury shall suspend the issue of gold certificates whenever the amount of gold coin and gold bullion in the Treasury reserved for the redemption of United States notes falls below one hundred millions of dollars.	Indefinite	On demand	None	Par	Indefinite		34, 297, 819. 00
SILVER CERTIFICATES.							
The act of February 28, 1878 (20 Statutes, 26, sec. 3), provides that any holder of the coin authorized by this act may deposit the same with the Treasurer or any assistant treasurer of the United States in sums not less than ten dollars and receive therefor certificates of not less than ten dollars each, corresponding with the denominations of the United States notes. The coin deposited for or representing the certificates shall be retained in the Treasury for the payment of the same on demand. Said certificates shall be receivable for customs, taxes, and all public dues, and, when so received, may be reissued. The act of August 4, 1886 (24 Statutes, 227), authorizes the issue of silver certificates in denominations of one, two, and five dollars; said certificates to be receivable, redeemable, and payable in like manner and for like purposes as is provided for by the act of February 28, 1878.	Indefinite	On demand	None	Par	No limit		406, 085, 504. 00

TABLE A.—STATEMENT OF THE OUTSTANDING PRINCIPAL OF THE PUBLIC DEBT, ETC.—Continued.

	Length of loan.	When redeemable.	Rate of interest.	Price at which sold.	Amount authorized.	Amount issued.	Amount outstanding.
REFUNDING CERTIFICATES.							
The act of February 26, 1879 (20 Statutes, 321), authorizes the Secretary of the Treasury to issue, in exchange for lawful money of the United States, certificates of deposit of the denomination of ten dollars, bearing interest at the rate of four per centum per annum, and convertible at any time, with accrued interest, into the four per centum bonds described in the refunding act, the money so received to be applied only to the payment of the bonds bearing interest at a rate not less than five per centum, in the mode prescribed by said act.	Indefinite...	Convertible into 4 per cent bonds.	4 per cent...	Par.....	No limit.....	$40,012,750.00	$37,830.00
FUNDED LOAN OF 1881, CONTINUED AT THREE AND ONE-HALF PER CENT.							
These bonds were issued in exchange for five per cent bonds of the funded loan of 1881, by mutual agreement between the Secretary of the Treasury and the holders, and were made redeemable at the pleasure of the Government.	Indefinite..	At pleasure of the Government.	3½ per cent..	Par.....	.....	.....	650.00
FUNDED LOAN OF 1891, CONTINUED AT TWO PER CENT.							
These bonds were issued in exchange for the four and one-half per cent funded loan of 1891, by mutual agreement between the Secretary of the Treasury and the holders, and were made redeemable at the pleasure of the Government.	Indefinite	At pleasure of the Government.	2 per cent...	Par.....	.....	25,364,500.00	25,364,500.00
LOAN OF JULY 12, 1882.							
These bonds were issued in exchange for the five and six per cent bonds which had been previously continued at three and one-half per cent by mutual agreement between the Secretary of the Treasury and the holders, and were made redeemable at the pleasure of the Government.	Indefinite...	At pleasure of the Government	3 per cent...	Par.....	.....	.....	200.00
LOAN OF 1904.							
The act of January 14, 1875 (18 Statutes, 296), authorizes the Secretary of the Treasury to use any surplus revenues from time to time in the Treasury not otherwise appropriated, and to issue, sell, dispose of at not less than par, in coin, either of the descriptions of bonds of the United States described in the act of July 14, 1870 (16 Statutes, 272), for the purpose of redeeming, on and after January 1, 1879, in coin, at the office of the assistant treasurer of the United States in New York, the outstanding United States legal-tender notes when presented in sums of not less than fifty dollars.	10 years.....	Feb. 1, 1904....	5 per cent	117.223 117.077	.....	100,000,000.00	100,000,000.00

LOAN OF 1925.							
The act of January 14, 1875 (18 Statutes, 296), authorizes the Secretary of the Treasury to use any surplus revenues from time to time in the Treasury not otherwise appropriated, and to issue, sell, dispose of at not less than par, in coin, either of the descriptions of bonds of the United States described in the act of July 14, 1870 (16 Statutes, 272), for the purpose of redeeming, on and after January 1, 1879, in coin, at the office of the assistant treasurer of the United States in New York, the outstanding United States legal-tender notes, when presented in sums of not less than fifty dollars.	30 years.....	Feb. 1, 1925....	4 per cent...	{104.4946 111.166}	.....	162,315,400.00	162,315,400.00
TEN-TWENTY LOAN OF 1898.							
The act of June 13, 1898 (30 Statutes, 467, sec. 33), authorizes the Secretary of the Treasury to borrow on the credit of the United States, from time to time, as the proceeds may be required, to defray expenditures authorized on account of the war with Spain (such proceeds when received to be used only for the purpose of meeting such expenditures), the sum of four hundred million dollars, or so much thereof as may be necessary, and to prepare and issue therefor coupon or registered bonds of the United States in such form as he may prescribe, and in denominations of twenty dollars or some multiple of that sum, redeemable in coin at the pleasure of the United States after ten years from the date of their issue, and payable twenty years from such date, and bearing interest payable quarterly in coin at the rate of three per centum per annum; the bonds so issued to be exempt from all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority.	10 years	After Aug. 1, 1908.	3 per cent...	Par.....	$400,000,000.00	198,678,720.00	198,678,720.00
TREASURY NOTES OF 1890.							
The act of July 14, 1890 (26 Statutes, 289), directs the Secretary of the Treasury to purchase, from time to time, silver bullion to the aggregate amount of four million five hundred thousand ounces, or so much thereof as may be offered, in each month, at the market price thereof, not exceeding one dollar for three hundred and seventy-one and twenty-five hundredths grains of pure silver, and to issue in payment for such purchases of silver bullion Treasury notes of the United States, to be prepared by the Secretary of the Treasury, in such form and of such denominations, not less than one dollar nor more than one thousand dollars, as he may prescribe. That said notes shall be redeemable on demand, in coin, at the Treasury of the United States, or at the office of any assistant treasurer of the United States, and when so redeemed may be reissued; but no greater or less amount of such notes shall be outstanding at any time than the cost of the silver bullion and the standard silver dollars coined therefrom then held in the Treasury, purchased by such notes; and such Treasury notes shall be a legal tender in payment of all debts, public and private, except where otherwise expressly stipulated in the contract, and shall be receivable for customs, taxes	.....	.....	.....	.....	.....	155,931,002.00	93,518,280.00

TABLE A.—STATEMENT OF THE OUTSTANDING PRINCIPAL OF THE PUBLIC DEBT, ETC.—Continued.

	Length of loan.	When redeemable.	Rate of interest.	Price at which sold.	Amount authorized.	Amount issued.	Amount outstanding.
TREASURY NOTES OF 1890—Continued.							
and all public dues, and when so received may be reissued; and such notes, when held by any national banking association, may be counted as a part of its lawful reserve. That upon demand of the holder of any of the Treasury notes provided for, the Secretary of the Treasury shall redeem the same in gold or silver coin, at his discretion, it being the established policy of the United States to maintain the two metals on a parity with each other upon the present legal ratio, or such ratio as may be provided by law.							
NATIONAL-BANK NOTES (REDEMPTION ACCOUNT).							
The act of July 14, 1890 (26 Statutes, 289), provides that balances standing with the Treasurer of the United States to the respective credits of national banks for deposits made to redeem the circulating notes of such banks, and all deposits thereafter received for like purpose, shall be covered into the Treasury as a miscellaneous receipt, and the Treasurer of the United States shall redeem from the general cash in the Treasury the circulating notes of said banks which may come into his possession subject to redemption, * * * and the balance remaining of the deposits so covered shall, at the close of each month, be reported on the monthly public debt statement as debt of the United States bearing no interest.							$35,817,381.50
							a1,991,927,306.92

a Exclusive of $3,367,320 bonds issued to Pacific railroads not yet redeemed.

TABLE B.—STATEMENT OF THE OUTSTANDING PRINCIPAL OF THE PUBLIC DEBT OF THE UNITED STATES ON THE 1ST OF JANUARY OF EACH YEAR FROM 1791 TO 1843, INCLUSIVE, AND ON THE 1ST OF JULY OF EACH YEAR FROM 1843 TO 1899, INCLUSIVE.

Year.	Amount.	Year.	Amount.
Jan. 1, 1791	$75,463,476.52	July 1, 1843	$32,742,922.00
1792	77,227,924.66	1844	23,461,652.50
1793	80,358,634.04	1845	15,925,303.01
1794	78,427,404.77	1846	15,550,202.97
1795	80,747,587.39	1847	38,826,534.77
1796	83,762,172.07	1848	47,044,862.23
1797	82,064,479.33	1849	63,061,858.69
1798	79,228,529.12	1850	63,452,773.55
1799	78,408,669.77	1851	68,304,796.02
1800	82,976,294.35	1852	66,199,341.71
1801	83,038,050.80	1853	59,803,117.70
1802	80,712,632.25	1854	42,242,222.42
1803	77,054,686.40	1855	35,586,956.56
1804	86,427,120.88	1856	31,932,537.90
1805	82,312,150.50	1857	28,699,831.85
1806	75,723,270.66	1858	44,911,881.03
1807	69,218,398.64	1859	58,496,837.88
1808	65,196,317.97	1860	64,842,287.88
1809	57,023,192.09	1861	90,580,873.72
1810	53,173,217.52	1862	524,176,412.13
1811	48,005,587.76	1863	1,119,772,138.63
1812	45,209,737.90	1864	1,815,784,370.57
1813	55,962,827.57	1865	2,680,647,869.74
1814	81,487,846.24	1866	2,773,236,173.69
1815	99,833,660.15	1867	2,678,126,103.87
1816	127,334,933.74	1868	2,611,687,851.19
1817	123,491,965.16	1869	2,588,452,213.94
1818	103,466,633.83	1870	2,480,672,427.81
1819	95,529,648.28	1871	2,353,211,332.32
1820	91,015,566.15	1872	2,253,251,328.78
1821	89,987,427.66	1873	a 2,234,482,993.20
1822	93,546,676.98	1874	a 2,251,690,468.43
1823	90,875,877.28	1875	a 2,232,284,531.95
1824	90,269,777.77	1876	a 2,180,395,067.15
1825	83,788,432.71	1877	a 2,205,301,392.10
1826	81,054,059.99	1878	a 2,256,205,892.53
1827	73,987,357.20	1879	a 2,349,567,482.04
1828	67,475,043.87	1880	a 2,120,415,370.63
1829	58,421,413.67	1881	a 2,069,013,569.58
1830	48,565,406.50	1882	a 1,918,312,994.03
1831	39,123,191.68	1883	a 1,884,171,728.07
1832	24,322,235.18	1884	a 1,830,528,923.57
1833	7,001,698.83	1885	b 1,876,424,275.14
1834	4,760,082.08	1886	b 1,756,445,205.78
1835	33,733.05	1887	b 1,688,229,591.63
1836	37,513.05	1888	b 1,705,992,320.58
1837	336,957.83	1889	b 1,640,673,340.23
1838	3,308,124.07	1890	b 1,585,821,048.73
1839	10,434,221.14	1891	b 1,560,472,784.61
1840	3,573,343.82	1892	b 1,628,840,151.63
1841	5,250,875.54	1893	b 1,598,111,156.13
1842	13,594,480.73	1894	b 1,668,757,127.68
1843	20,201,226.27	1895	b 1,701,033,661.25
		1896	b 1,787,990,491.40
		1897	b 1,832,074,708.90
		1898	b 1,798,066,921.90
		1899	b 1,987,994,427.92

a In the amount here stated as the outstanding principal of the public debt are included the certificates of deposit outstanding on the 30th of June, issued under act of June 8, 1872, for which a like amount in United States notes was on special deposit in the Treasury for their redemption and added to the cash balance in the Treasury. These certificates, as a matter of accounts, are treated as a part of the public debt, but being offset by notes held on deposit for their redemption, should properly be deducted from the principal of the public debt in making comparison with former years.

b Exclusive of gold, silver, currency certificates, and Treasury notes of 1890 held in the Treasurer's cash, and including $3,307,320 bonds issued to the several Pacific railroads not yet redeemed.

TABLE C.—ANALYSIS OF THE PRINCIPAL OF THE PUBLIC DEBT OF THE UNITED STATES FROM JULY 1, 1856, TO JULY 1, 1899.

Year	3 per cents.	3½ per cents.	4 per cents.	4½ per cents.	5 per cents.	6 per cents.	7 3/10 per cents.	Total interest-bearing debt.
1856—July 1					$3,632,000.00	$28,130,761.77		$31,762,761.77
1857					3,489,000.00	24,971,958.93		28,460,958.93
1858					23,538,000.00	21,162,838.11		44,700,838.11
1859					37,127,800.00	21,162,938.11		58,290,738.11
1860					43,476,300.00	21,164,538.11		64,640,838.11
1861					33,022,200.00	57,358,673.95		90,380,873.95
1862			$57,926,116.57		30,483,000.00	154,313,225.01	$122,582,485.34	365,304,826.92
1863			105,629,385.30		30,483,000.00	431,444,813.83	139,974,435.34	707,531,634.47
1864			77,547,696.07		300,213,480.00	842,882,652.09	139,286,935.34	1,359,930,763.50
1865			90,496,930.74		245,709,420.63	1,213,495,169.90	671,610,397.02	2,321,311,918.29
1865—August 1			618,127.98		269,175,727.65	1,281,736,439.33	830,000,000.00	2,981,530,294.96
1866—July 1			121,341,879.62		201,982,665.01	1,195,546,041.02	813,460,621.95	2,332,331,207.60
1867			17,737,025.68		198,533,435.01	1,543,452,080.02	488,344,846.95	2,248,067,387.66
1868	$64,000,000.00		801,361.23		221,586,185.01	1,878,303,984.50	37,497,196.95	2,202,088,727.69
1869	66,125,000.00				221,588,300.00	1,874,347,222.39		2,162,060,522.39
1870	59,550,000.00				221,588,300.00	1,765,317,422.39		2,046,455,722.39
1871	45,885,000.00		678,000.00		274,236,450.00	1,613,897,300.00		1,934,696,750.00
1872	24,665,000.00		678,000.00		414,567,300.00	1,374,883,800.00		1,814,794,100.00
1873	14,000,000.00		678,000.00		414,567,300.00	1,281,238,650.00		1,710,483,950.00
1874	14,000,000.00		678,000.00		510,628,050.00	1,213,624,700.00		1,738,930,750.00
1875	14,000,000.00		678,000.00		607,132,750.00	1,100,865,550.00		1,722,676,300.00
1876	14,000,000.00				711,685,800.00	984,999,650.00		1,710,685,450.00
1877	14,000,000.00			$140,000,000.00	703,266,650.00	854,621,850.00		1,711,888,500.00
1878	14,000,000.00		98,850,000.00	240,000,000.00	703,266,650.00	738,619,000.00		1,791,735,650.00
1879	14,000,000.00		741,522,000.00	250,000,000.00	508,440,350.00	283,681,350.00		1,797,643,700.00
1880	14,000,000.00		739,347,800.00	250,000,000.00	484,864,900.00	235,780,400.00		1,723,993,100.00
1881	14,000,000.00		739,347,800.00	250,000,000.00	439,841,350.00	196,378,600.00		1,639,567,750.00
1882	14,000,000.00	$460,461,050.00	739,349,350.00	250,000,000.00				1,463,810,400.00
1883	318,204,350.00	32,082,600.00	737,942,200.00	250,000,000.00				1,338,229,150.00
1884	238,612,150.00		737,951,700.00	250,000,000.00				1,226,563,850.00
1885	208,190,500.00		737,960,450.00	250,000,000.00				1,196,150,950.00
1886	158,046,600.00		737,967,500.00	250,000,000.00				1,146,014,100.00
1887	33,716,500.00		737,975,850.00	250,000,000.00				1,021,692,350.00
1888	14,000,000.00		714,315,450.00	222,207,050.00				950,522,500.00
1889	14,000,000.00		676,214,990.00	139,639,000.00				829,853,990.00
1890	14,000,000.00		602,297,360.00	109,015,750.00				725,313,110.00
1891			559,659,920.00	50,869,200.00				610,529,120.00
1892			559,664,830.00	*a* 25,364,500.00				585,029,330.00
1893			559,672,600.00	*a* 25,364,500.00				585,037,100.00
1894			559,677,390.00	*a* 25,364,500.00	50,000,000.00			635,041,890.00
1895			590,837,590.00	*a* 25,364,500.00	100,000,000.00			716,202,090.00
1896			721,999,390.00	*a* 25,364,500.00	100,000,000.00			847,363,890.00
1897			722,000,630.00	*a* 25,364,500.00	100,000,000.00			847,365,130.00
1898			722,002,970.00	*a* 25,364,500.00	100,000,000.00			847,367,470.00
1899	198,678,720.00		722,005,530.00	*a* 25,364,500.00	100,000,000.00			1,046,048,750.00

a Continued at 2 per cent.

TABLE C.—ANALYSIS OF THE PRINCIPAL OF THE PUBLIC DEBT OF THE UNITED STATES, ETC.—Continued.

Year.	Debt on which interest has ceased.	Debt bearing no interest.	Outstanding principal.	Cash in the Treasury July 1.	Total debt less cash in Treasury.	Annual interest charge.
1856—July 1	$209,776.13		$31,972,537.90	$21,006,584.89	$10,965,953.01	$1,869,445.70
1857	238,872.92		28,699,831.85	18,701,210.09	9,998,621.76	1,672,767.52
1858	211,042.92		44,911,881.03	7,011,689.31	37,900,191.72	2,446,670.28
1859	206,099.77		58,496,837.88	5,091,603.69	53,405,234.19	3,126,166.28
1860	201,449.77		64,842,287.88	4,877,885.87	59,964,402.01	3,443,687.29
1861	199,999.77		90,580,873.72	2,862,212.92	87,718,660.80	5,092,630.43
1862	280,195.21	$158,591,390.00	524,176,412.13	18,863,859.96	505,312,752.17	22,048,509.59
1863	473,048.16	411,767,456.00	1,119,772,138.63	8,421,401.22	1,111,350,737.41	41,854,148.01
1864	416,335.86	455,437,271.21	1,815,784,370.57	106,332,093.53	1,709,452,277.04	78,853,487.24
1865	1,245,771.20	458,090,180.25	2,680,647,869.74	5,832,012.98	2,674,815,856.76	137,742,617.43
1865—August 31	1,503,020.09	461,616,311.51	2,844,649,626.56	88,218,055.13	2,756,431,571.43	150,977,697.87
1866—July 1	935,092.05	439,969,874.04	2,773,236,173.69	137,200,009.85	2,636,036,163.84	146,068,196.29
1867	1,840,615.01	428,218,101.20	2,678,126,103.87	169,974,892.18	2,508,151,211.69	138,892,451.39
1868	1,197,340.89	408,401,782.61	2,611,687,851.19	130,834,437.96	2,480,853,413.23	128,459,598.14
1869	5,260,181.00	421,131,510.55	2,588,452,213.94	155,680,340.85	2,432,771,873.09	125,523,998.34
1870	3,708,641.00	430,508,064.42	2,480,672,427.81	149,502,471.60	2,331,169,956.21	118,784,960.34
1871	1,948,902.26	416,565,680.06	2,353,211,332.32	106,217,263.65	2,246,994,068.67	111,949,330.50
1872	7,926,797.26	430,530,431.52	2,253,251,328.78	103,470,798.43	2,149,780,530.35	103,988,463.00
1873	51,929,710.26	472,069,332.94	2,234,482,993.20	129,020,932.45	2,105,462,060.75	98,049,804.00
1874	3,216,590.26	509,543,128.17	2,251,690,468.43	147,541,314.74	2,104,149,153.69	98,796,004.50
1875	11,425,820.26	498,182,411.69	2,232,284,531.95	142,243,361.82	2,090,041,170.13	96,855,690.50
1876	3,902,420.26	465,807,196.89	2,180,395,067.15	119,469,726.70	2,060,925,340.45	96,104,269.00
1877	16,648,860.26	476,764,031.84	2,205,301,392.10	186,025,960.73	2,019,275,431.37	93,160,643.50
1878	5,594,560.26	455,875,682.27	2,256,205,892.53	256,823,612.08	1,999,382,280.45	94,654,472.50
1879	37,015,630.26	410,835,741.78	2,245,495,072.04	249,080,167.01	1,996,414,905.03	83,773,778.50
1880	7,621,455.26	388,800,815.37	2,120,415,370.63	201,088,622.88	1,919,326,747.75	79,633,981.00
1881	6,723,865.26	422,721,954.32	2,069,013,569.58	249,363,415.35	1,819,650,154.23	75,018,695.50
1882	16,260,805.26	438,241,788.77	1,918,312,994.03	243,289,519.78	1,675,023,474.25	57,360,110.75
1883	7,831,415.26	538,111,162.81	1,884,171,728.07	345,389,902.92	1,538,781,825.15	51,436,709.50
1884	19,656,205.26	584,308,868.31	1,830,528,923.57	391,985,928.18	1,438,542,995.39	47,926,432.50
1885	4,100,995.26	663,712,927.88	1,863,964,873.14	488,612,429.23	1,375,352,443.91	47,014,133.00
1886	9,704,445.26	619,344,468.52	1,775,063,012.78	492,917,173.34	1,282,145,840.44	45,510,098.00
1887	6,115,165.26	629,795,077.37	1,657,602,592.63	482,433,917.21	1,175,168,675.42	41,780,529.50
1888	2,496,095.26	739,840,389.32	1,692,858,984.58	629,854,089.85	1,063,004,894.73	38,991,935.25
1889	1,911,485.26	787,287,446.97	1,619,052,922.23	643,113,172.01	975,939,750.22	33,752,354.60
1890	1,815,805.26	825,011,289.47	1,552,140,204.73	661,355,834.20	890,784,370.53	29,417,603.15
1891	1,614,705.26	933,852,766.35	1,545,996,591.61	694,083,839.83	851,912,751.78	23,615,735.80
1892	2,785,875.26	1,000,648,939.37	1,588,464,144.63	746,937,681.03	841,526,463.60	22,893,883.20
1893	2,094,060.26	958,854,525.87	1,545,985,686.13	707,016,210.38	838,969,475.75	22,894,194.00
1894	1,851,240.26	995,360,506.42	1,632,253,636.68	732,940,256.13	899,313,380.55	25,394,385.60
1895	1,721,590.26	958,197,332.99	1,676,120,983.25	774,448,016.51	901,672,966.74	29,140,792.40
1896	1,636,890.26	920,839,543.14	1,769,840,328.40	814,543,069.70	955,297,253.70	34,387,265.60
1897	1,346,880.26	968,960,655.64	1,817,672,665.90	821,016,579.76	986,656,086.14	34,387,315.20
1898	1,262,680.26	947,901,845.64	1,796,531,995.90	769,446,503.76	1,027,085,492.14	34,387,408.80
1899	1,218,300.26	944,660,256.66	1,991,927,306.92	836,607,071.73	1,155,320,235.19	40,347,872.80

NOTE 1.—Annual interest charge computed on amount of outstanding principal at close of fiscal year, and is exclusive of interest charge on Pacific railway bonds.

NOTE 2.—The figures for July 1, 1879, were made up assuming pending funding operations to have been completed.

NOTE 3.—The temporary loan per act of July 11, 1862, was called on the 4 per cents from 1867 to 1868, inclusive, with the exception of the amount outstanding August 31, 1865, thus being the date at which the public debt reached its highest point. The 5-loan bore interest from 4 per cent to 6 per cent, and was redeemable on ten days' notice after thirty days, but being constantly changing, it has been considered more equitable to include the whole amount outstanding as bearing 4 per cent interest on an average for the year.

TABLE D.—STATEMENT OF THE ISSUE AND REDEMPTION OF LOANS AND TREASURY NOTES (BY WARRANTS) FOR THE FISCAL YEAR ENDED JUNE 30, 1899.

	Issues.	Redemptions.	Excess of issues.	Excess of redemptions.
Treasury notes, act Feb. 4, 1815		$10.00		$10.00
Old demand notes, acts of July 17, 1861, Aug. 5, 1864, and Feb. 12, 1862		150.00		150.00
Loan of July and Aug., 1861, acts of July 17 and Aug. 5, 1861		2,300.00		2,300.00
Legal-tender notes, acts of Feb. 25 and July 11, 1862, Jan. 7 and Mar. 3, 1863	$88,404,000.00	88,404,000.00		
Gold certificates, acts of Mar. 3, 1863, and July 12, 1882		3,122,330.00		3,122,330.00
One-year notes of 1863, act of Mar. 3, 1863		30.00		30.00
Compound-interest notes, acts of Mar. 3, 1863, and June 30, 1864		590.00		590.00
Loan of 1863, act of Mar. 3, 1863		500.00		500.00
Seven-thirties of 1861, act of July 17, 1861		50.00		50.00
Seven-thirties of 1864 and 1865, acts of June 30, 1864, and Mar. 3, 1865		50.00		50.00
Consols of 1868, act of Mar. 3, 1865		5,200.00		5,200.00
Consols of 1865, act of Mar. 3, 1865		800.00		800.00
Consols of 1867, act of Mar. 3, 1865		10,600.00		10,600.00
Funded loan of 1881, acts of July 14, 1870, Jan. 20, 1871, and Jan. 14, 1875		1,100.00		1,100.00
Certificates of deposit, act of June 8, 1872	30,840,000.00	36,120,000.00		5,280,000.00
Funded loan of 1881, acts of July 14, 1870, Jan. 20, 1871, and Jan. 14, 1875, continued		500.00		500.00
Silver certificates, act of Feb. 28, 1878	151,360,000.00	143,831,000.00	$7,529,000.00	
Refunding certificates, act of Feb. 26, 1879		3,690.00		3,690.00
Loan of 1882, act of July 12, 1882		5,100.00		5,100.00
Fractional currency, acts of July 17, 1862, Mar. 3, 1863, and June 30, 1864		3,343.48		3,343.48
Funded loan of 1891, acts July 14, 1870, Jan. 21, 1871, and Jan. 14, 1875		17,550.00		17,550.00
Funded loan of 1907, acts July 14, 1870, Jan. 20, 1871, and Jan. 14, 1875	6,250.00		6,250.00	
Ten-twenties of 1898, act of June 13, 1898	199,194,960.00	516,240.00	198,678,720.00	
Treasury notes of 1890, act of July 14, 1890	30,712,000.00	38,401,000.00		7,689,000.00
Redemption of national-bank notes, act July 14, 1890	21,973,510.00	16,649,275.50	5,324,234.50	
Bonds issued to Pacific railroads, acts July 1, 1862, and July 2, 1864		14,054,560.00		14,054,560.00
Total	552,690,720.00	341,149,968.98	211,538,204.50	30,197,453.48
Excess of redemptions				30,197,453.48
Excess of issues				211,538,204.50
Net excess of issues charged in receipts and expenditures				181,340,751.02

TABLE E.—STATEMENT SHOWING THE PURCHASE AND REDEMPTION OF BONDS ON ACCOUNT OF THE SINKING FUND DURING EACH FISCAL YEAR FROM ITS INSTITUTION IN MAY, 1869, TO AND INCLUDING JUNE 30, 1899.

Year ended—	Principal redeemed.	Premium paid.	Net cost in currency.	Net cost estimated in gold.	Interest due at close of fiscal year.	Accrued interest paid in coin.	Balance of interest due at close of fiscal year.
JUNE 30, 1869.							
Five-twenties of 1862	$1,621,000.00	$253,822.84	$1,874,822.84	$1,349,970.02	$16,210.00	$7,384.60	$8,825.40
Five-twenties of March, 1864	70,000.00	11,725.00	81,725.00	57,552.82	700.00	218.63	481.37
Five-twenties of June, 1864	1,051,000.00	161,946.45	1,212,946.45	873,205.61	10,500.00	1,470.42	9,039.58
Five-twenties of 1865	465,000.00	74,969.00	539,969.00	387,566.28	4,650.00	2,683.54	1,966.46
Consols, 1865	461,000.00	73,736.80	534,736.80	387,903.26	13,830.00	429.04	13,400.96
Consols, 1867	4,718,000.00	749,208.08	5,467,208.08	3,948,586.11	141,540.00	116,032.35	25,507.65
Consols, 1868	305,000.00	49,442.50	354,442.50	256,653.20	9,150.00	8,173.98	976.02
Total	8,691,000.00	1,374,850.67	10,065,850.67	7,261,437.30	196,590.00	136,392.56	60,197.44
JUNE 30, 1870.							
Five-twenties of 1862	3,542,050.00	493,479.42	4,035,529.42	3,263,099.51	160,919.50	45,994.49	114,925.01
Five-twenties of March, 1864	85,000.00	15,742.87	100,742.87	75,658.54	5,350.00	1,080.99	4,269.01
Five-twenties of June, 1864	3,971,400.00	506,189.91	4,477,589.91	3,647,628.29	165,834.00	49,946.00	115,888.00
Five-twenties of 1865	2,790,250.00	361,735.43	3,151,985.43	2,606,636.20	105,257.50	37,113.53	68,143.97
Consols, 1865	11,532,150.00	1,454,778.37	12,986,928.37	10,080,736.97	495,421.50	145,518.29	349,903.21
Consols, 1867	5,882,550.00	861,763.73	6,744,313.73	5,309,800.90	302,734.50	66,111.51	236,622.99
Consols, 1868	348,500.00	53,363.95	401,863.95	308,573.16	19,380.00	5,238.73	14,141.27
Total	28,151,900.00	3,747,053.68	31,898,953.68	25,893,143.57	1,254,897.00	351,003.54	903,893.46
JUNE 30, 1871.							
Five-twenties of 1862	2,792,950.00	227,607.56	3,020,557.56	2,680,209.05	145,975.00	36,657.80	109,317.20
Five-twenties of March, 1864	29,500.00	2,277.20	31,777.20	28,590.88	1,240.00	388.35	851.65
Five-twenties of June, 1864	3,967,350.00	340,509.63	4,307,879.63	3,847,182.42	201,375.00	51,703.46	149,671.54
Five-twenties of 1865	6,768,600.00	574,923.00	7,343,523.00	6,525,231.42	331,933.50	92,259.58	239,673.92
Consols, 1865	10,222,200.00	850,949.79	11,073,149.79	9,762,387.78	522,117.00	109,455.28	412,661.72
Consols, 1867	6,103,050.00	541,559.41	6,644,609.41	5,800,618.37	351,528.00	76,745.93	274,782.07
Consols, 1868	52,600.00	4,784.61	57,384.61	49,797.81	3,096.00	572.13	2,512.87
Total	29,936,250.00	2,542,631.20	32,478,881.20	28,694,017.73	1,557,264.50	367,782.53	1,189,481.97
JUNE 30, 1872.							
Five-twenties of 1862	6,417,850.00	764,055.21	7,181,905.21	6,345,391.98	427,849.00	75,179.43	352,669.57
Five-twenties of March, 1864	127,100.00	14,959.03	142,059.03	126,123.46	8,894.00	1,338.70	7,555.30
Five-twenties of June, 1864	3,604,650.00	438,656.16	4,043,306.16	3,573,223.63	246,001.50	57,449.80	188,551.70
Five-twenties of 1865	3,635,200.00	436,838.70	4,072,038.70	3,594,747.85	246,562.00	37,817.37	208,744.63
Consols, 1865	11,788,900.00	1,436,989.46	13,225,889.46	11,660,785.89	707,334.00	149,248.21	558,085.79
Consols, 1867	6,958,900.00	833,600.15	7,792,500.15	6,863,777.39	417,534.00	108,487.92	309,046.08
Consols, 1868	85,850.00	9,951.63	95,801.63	84,595.02	5,151.00	1,386.95	3,764.05
Total	32,618,450.00	3,935,050.34	36,553,500.34	32,248,645.22	2,059,325.50	430,908.38	1,628,417.12

TABLE E.—STATEMENT SHOWING THE PURCHASE AND REDEMPTION OF BONDS ON ACCOUNT OF THE SINKING FUND, ETC.—Continued.

Year ended—	Principal redeemed.	Premium paid.	Net cost in currency.	Net cost estimated in gold.	Interest due at close of fiscal year.	Accrued interest paid in coin.	Balance of interest due at close of fiscal year.
JUNE 30, 1873.							
Five-twenties of 1862	$7,137,100.00	$925,783.87	$8,062,883.87	$7,089,542.58	$431,450.50	$101,960.57	$329,489.93
Five-twenties of March, 1864	50,000.00	7,372.50	57,372.50	49,780.91	3,500.00	813.70	2,686.30
Five-twenties of June, 1864	3,741,150.00	480,684.37	4,221,834.37	3,715,211.22	223,270.50	42,216.46	181,054.04
Five-twenties of 1865	1,959,850.00	250,635.93	2,210,485.93	1,943,488.93	120,266.50	23,744.47	96,522.03
Consols, 1865	10,768,250.00	1,371,187.17	12,139,437.17	10,668,617.09	646,995.00	145,069.34	501,925.66
Consols, 1867	4,402,100.00	553,610.89	4,955,710.89	4,373,781.76	264,126.00	69,632.51	194,493.49
Consols, 1868	619,550.00	81,983.44	701,533.44	617,140.34	37,173.00	8,948.40	28,224.60
Total	28,678,000.00	3,671,258.17	32,349,258.17	28,457,562.83	1,725,881.50	392,385.45	1,333,496.05
JUNE 30, 1874.							
Five-twenties of 1862	1,421,700.00	161,219.79	1,582,919.79	1,415,391.05	99,519.00	31,743.95	67,775.05
Five-twenties of June, 1864	2,020,550.00	218,457.39	2,239,007.39	2,012,051.32	141,438.50	48,013.46	93,425.04
Five-twenties of 1865	1,247,250.00	135,577.95	1,382,827.95	1,241,571.69	87,307.50	29,318.19	57,989.31
Consols, 1865	3,394,650.00	360,964.62	3,754,614.62	3,374,934.42	203,619.00	46,489.33	157,129.67
Consols, 1867	4,051,600.50	432,518.18	4,485,318.18	4,029,975.86	243,060.00	55,976.97	187,083.03
Consols, 1868	802,300.00	86,505.62	888,805.62	798,926.40	48,138.00	11,014.38	37,123.62
Total	12,936,450.00	1,395,073.55	14,331,523.55	12,872,850.74	823,082.00	222,556.28	600,525.72
JUNE 30, 1875.							
Five-twenties of 1862	25,170,400.00			25,170,400.00	511,974.50	353,061.50	158,913.00
JUNE 30, 1876.							
Five-twenties of 1862	5,785,200.00			5,785,200.00	404,964.72	54,745.72	350,219.28
Five-twenties of June, 1864	10,869,600.00			10,869,600.00	760,872.00	171,966.33	588,905.67
Five-twenties of 1865	1,789,250.00			1,789,250.00	125,247.50	30,805.86	94,441.64
Total	18,444,050.00			18,444,050.00	1,291,083.50	257,517.91	1,033,566.59
JUNE 30, 1877.							
Five-twenties of 1862	81,200.00			81,200.00	1,552.25	1,181.67	3,170.58
Five-twenties of June, 1864	178,900.00			178,900.00	9,943.50	1,323.60	8,619.90
Five-twenties of 1865	180,350.00			180,350.00	9,549.00	3,171.08	6,377.92
Consols, 1865	6,050.00			6,050.00	181.50	108.97	72.53
Consols, 1867	1,000.00			1,000.00	30.00	21.20	8.80
Total	447,500.00			447,500.00	21,256.25	5,776.52	18,249.73

JUNE 30, 1878.							
Five-twenties of 1862	17,900.00			17,900.00	966.00	192.65	773.35
Five-twenties of June, 1864	15,900.00			15,900.00	834.00	78.41	755.59
Five-twenties of 1865	2,350.00			2,350.00	129.00	40.92	88.08
Consols, 1865	23,600.00			23,600.00	1,416.00	273.35	1,142.65
Consols, 1867	5,700.00			5,700.00	342.00	134.76	207.24
Consols, 1868	8,500.00			8,500.00	510.00	89.83	420.17
Total	73,950.00			73,950.00	4,197.00	809.92	3,387.08
JUNE 30, 1879.							
Five-twenties of 1862	2,650.00			2,650.00	165.75	40.35	125.40
Five-twenties of June, 1864	3,150.00			3,150.00	94.50	18.53	75.97
Five-twenties of 1865	1,850.00			1,850.00	85.50	41.22	44.28
Consols, 1865	1,700.00			1,700.00	102.00	41.49	60.51
Consols, 1867	9,050.00			9,050.00	543.00	166.62	376.38
Consols, 1868	100.00			100.00	6.00	.56	5.44
Total	18,500.00			18,500.00	996.75	308.77	687.98
JUNE 30, 1880.							
Five-twenties of 1862	100.00			100.00	4.00	.67	3.33
Five-twenties of June, 1864	100.00			100.00	4.00	.49	3.51
Five-twenties of 1865	250.00			250.00	14.50	5.85	8.65
Ten-forties of 1864	676,050.00			676,050.00	28,168.75	12,872.65	15,296.10
Loan of February, 1861	2,837,000.00	$74,161.95		2,911,161.95	85,110.00	47,540.20	37,569.80
Loan of July and August, 1861	32,064,250.00	1,376,085.04		33,440,335.04	1,165,807.50	518,148.79	647,658.61
Loan of March, 1863	12,797,150.00	549,035.18		13,346,185.18	484,747.50	213,179.29	271,568.21
Oregon war debt	202,550.00	8,273.02		210,823.02	9,787.50	3,662.56	6,124.94
Funded loan of 1881	23,575,450.00	662,206.97		24,237,656.97	415,152.70	130,349.36	284,813.34
Funded loan of 1907	1,500,000.00	125,558.26		1,625,558.26	15,000.00	10,191.74	4,808.26
Total	73,652,900.00	2,795,320.42		76,448,220.42	2,203,806.45	935,951.60	1,267,854.85
JUNE 30, 1881.							
Five-twenties of 1862	3,000.00			3,000.00	210.00	80.22	129.78
Five-twenties of June, 1864	50.00			50.00	3.50	.25	3.25
Five-twenties of 1865	100.00			100.00	7.00	1.74	5.26
Loan of February, 1861	7,775,000.00	51,277.58		7,826,277.58	462,390.00	160,072.88	302,317.12
Loan of July and August, 1861	16,712,450.00	488,876.11		17,201,326.11	1,002,747.00	200,043.95	802,703.05
Loan of March, 1863	7,057,100.00	199,514.62		7,256,614.62	361,315.50	83,330.51	277,984.99
Oregon war debt	54,250.00	1,408.65		55,658.65	2,584.50	551.11	2,033.39
Funded loan of 1881	42,769,400.00	320,171.82		43,089,571.82	1,106,474.15	263,342.94	843,130.21
Total	74,371,350.00	1,061,248.78		75,432,598.78	2,935,731.65	707,423.60	2,228,308.05

TABLE E.—STATEMENT SHOWING THE PURCHASE AND REDEMPTION OF BONDS ON ACCOUNT OF THE SINKING FUND, ETC. Continued.

Year ended—	Principal redeemed.	Premium paid.	Net cost in currency.	Net cost estimated in gold.	Interest due at close of fiscal year.	Accrued interest paid in coin.	Balance of interest due at close of fiscal year.
JUNE 30, 1882.							
Loan of July and August 1861, continued at 3½ per cent	$55,215,850.00			$55,215,850.00	$1,368,894.64	$579,466.12	$789,461.50
Loan of March, 1863, continued at 4 per cent	2,637,850.00			2,637,850.00	91,701.75	25,771.80	65,929.95
Funded loan of 1881, continued at 4½ per cent	1,000.00			1,000.00	25.33	2.78	22.55
Funded loan of 1881	2,224,450.00			2,224,450.00	115,717.53	6,771.83	108,945.70
Total	60,079,150.00			60,079,150.00	1,576,337.23	612,039.53	964,297.70
JUNE 30, 1883.							
Five-twenties of 1862	100.00			100.00	5.50	14.18	8.68
Funded loan of 1881	41,300.00			41,300.00	1,716.66	138.13	1,578.53
Loan of July and August 1861, continued at 3½ per cent	661,750.00			661,750.00	20,760.25	5,293.40	15,466.85
Loan of March, 1863, continued at 4 per cent	34,128,150.00			34,128,150.00	1,171,034.37	186,949.66	984,120.71
Funded loan of 1881, continued at 4½ per cent	10,019,400.00			10,019,400.00	233,862.12	137,402.11	96,460.01
Total	44,850,700.00			44,850,700.00	1,427,378.90	329,761.48	1,097,617.42
JUNE 30, 1884.							
Five-twenties of 1862	200.00			200.00	9.50	13.35	3.85
Funded loan of 1881	5,200.00			5,200.00	187.08	164.24	22.84
Loan of March 1863 continued at 4 per cent	422,550.00			422,550.00	14,789.25	2,823.94	11,965.31
Loan of July and August 1861 continued at 3½ per cent	566,250.00			566,250.00	19,818.75	7,669.86	12,148.89
Funded loan of 1881, continued at 4½ per cent	33,221,450.00			33,221,450.00	1,018,176.97	276,923.93	741,253.04
Loan of July 12, 1882	12,553,950.00			12,553,950.00	240,130.15	31,884.61	208,245.52
Total	46,769,600.00			46,769,600.00	1,293,111.68	318,879.93	974,231.75
JUNE 30, 1885.							
Five-twenties of 1862	4,000.00			4,000.00	85.00	701.96	616.96
Five-twenties of 1864	100.00			100.00	4.00	.49	3.51
Funded loan of 1881	1,100.00			1,100.00	36.67	50.51	13.84
Loan of July and August, 1861, continued at 3½ per cent	52,250.00			52,250.00	1,269.62	588.85	680.77
Loan of March, 1863, continued at 4 per cent	18,000.00			18,000.00	499.62	87.92	411.70
Funded loan of 1881, continued at 4½ per cent	230,500.00			230,500.00	5,347.70	1,416.28	3,931.42
Loan of July 12, 1882	45,282,200.00			45,282,200.00	1,153,460.88	268,821.31	884,639.57
Total	45,588,150.00			45,588,150.00	1,160,703.49	271,667.32	889,036.17

JUNE 30, 1886.							
Oregon war debt	100.00			100.00	1.50	18.00	16.50
Loan of July and August, 1861	2,500.00			2,500.00	53.25	99.00	45.75
Loan of 1863	1,100.00			1,100.00	31.50	33.00	1.50
Five-twenties of 1862	67,500.00			67,500.00	1,425.00	14,399.00	12,974.00
Five-twenties of 1864	4,300.00			4,300.00	85.25	31.14	54.11
Five-twenties of 1865	300.00			300.00	6.00	2.02	3.98
Ten-forties of 1864	14,250.00			14,250.00	356.25	278.80	77.45
Consols of 1865	15,900.00			15,900.00	419.25	842.29	423.04
Consols of 1867	26,950.00			26,950.00	662.25	2,070.75	1,408.50
Consols of 1868	12,250.00			12,250.00	203.25	570.04	366.79
Funded loan of 1881	49,800.00			49,800.00	826.50	868.55	42.05
Loan of 1882	44,044,800.00			44,044,800.00	435,942.00	220,617.44	215,324.57
Loan of 1863, continued at 3½ per cent	4,100.00			4,100.00	123.00	31.32	91.68
Loan of July and August, 1861, continued at 3½ per cent	96,750.00			96,750.00	2,848.50	1,560.76	1,287.74
Funded loan of 1881, continued at 3½ per cent	190,750.00			190,750.00	4,704.13	1,065.34	3,638.79
Total	44,531,350.00			44,531,350.00	447,687.64	242,487.45	205,200.19
JUNE 30, 1887.							
Loan of 1882	47,748,750.00			47,748,750.00	1,375,653.00	223,676.38	1,151,976.62
Ten-forties of 1864	1,300.00			1,300.00	84.17	119.50	35.33
Funded loan of 1881	3,100.00			3,100.00	110.83	166.80	55.97
Loan of July and August, 1861	28,700.00			28,700.00	1,722.00	861.00	861.00
Five-twenties of 1862	650.00			650.00	45.50	58.12	12.62
Five-twenties of 1865	8,000.00			8,000.00	560.00	473.92	86.08
Loan of February, 1861	2,000.00			2,000.00	120.00	60.00	60.00
Loan of 1863	13,400.00			13,400.00	804.00	402.00	402.00
Consols of 1865	18,200.00			18,200.00	1,092.00	2,147.16	1,055.16
Consols of 1867	34,000.00			34,000.00	2,040.00	3,333.69	1,293.69
Consols of 1868	500.00			500.00	30.00	270.25	240.25
Loan of July and August, 1861, continued at 3½ per cent	1,500.00			1,500.00	52.50	22.58	29.92
Loan of 1863, continued at 3½ per cent	8,500.00			8,500.00	297.50	60.31	237.19
Funded loan of 1881, continued at 3½ per cent	25,600.00			25,600.00	926.33	213.17	713.16
Total	47,894,200.00			47,894,200.00	1,383,537.83	231,864.88	1,151,672.95
JUNE 30, 1888.							
Loan of 1882	18,880,500.00			18,880,500.00	660,630.00	94,660.88	565,969.12
Funded loan of 1891	19,455,400.00	1,555,966.17		21,011,366.17	794,247.00	95,098.43	699,148.57
Funded loan of 1907	5,389,250.00	1,296,049.71		6,685,299.71	203,293.00	43,817.79	159,475.21
Total	43,725,150.00	2,852,015.88		46,577,165.88	1,658,170.00	233,577.10	1,424,592.00
JUNE 30, 1889.							
Oregon war debt	1,150.00			1,150.00	69.00	39.00	30.00
Loan of July and August, 1861	500.00			500.00	30.00	15.00	15.00
Loan of 1882	57,900.00			57,900.00	1,709.25	354.94	1,354.31
Loan of July and August, 1861, continued at 3½ per cent	3,000.00			3,000.00	105.00	20.42	84.58
Loan of 1863, continued at 3½ per cent	100.00			100.00	3.50	.91	2.59
Funded loan of 1891	12,153,850.00	844,918.01		12,998,768.01	480,076.12	39,397.68	440,678.44
Funded loan of 1907	26,839,650.00	7,672,222.29		34,511,872.29	1,011,368.00	180,452.69	830,915.31
Total	39,056,150.00	8,517,140.30		47,573,290.30	1,493,360.87	220,280.64	1,273,080.23

TABLE E.—STATEMENT SHOWING THE PURCHASE AND REDEMPTION OF BONDS ON ACCOUNT OF THE SINKING FUND, ETC.—Continued.

Year ended—	Principal redeemed.	Premium paid.	Net cost in currency.	Net cost estimated in gold.	Interest due at close of fiscal year.	Accrued interest paid in coin.	Balance of interest due at close of fiscal year.
JUNE 30, 1890.							
Loan of 1882	$4,050.00			$4,050.00	$119.25	$11.39	$107.86
Loan of July and August, 1861, continued at 6 per cent	1,000.00			1,000.00	35.00	16.88	18.12
Funded loan of 1881	3,000.00			3,000.00	137.50	109.14	28.36
Funded loan of 1891	12,126,750.00	$710,666.79		12,847,416.79	537,523.68	69,588.99	467,934.69
Funded loan of 1907	27,695,600.00	7,536,058.37		35,231,658.37	1,045,894.50	156,956.13	888,149.37
Total	39,849,400.00	8,246,725.16		48,087,125.16	1,588,619.93	226,881.93	1,361,738.00
JUNE 30, 1891.							
Loan of 1882	6,300.00			6,300.00	183.00	44.76	138.24
Loan of July and August, 1861	950.00			950.00	57.00	28.50	28.50
Loan of 1863	100.00			100.00	6.00	3.00	3.00
Funded loan of 1881	27,869,400.00	69,945.63		27,939,345.63	1,075,088.24	1,156,413.38	81,325.14
Funded loan of 1891	16,134,000.00	3,790,140.65		19,924,140.65	645,644.50	54,810.28	590,834.22
Total	44,031,750.00	3,860,086.28		47,861,836.28	1,720,975.74	1,210,799.92	510,175.82
JUNE 30, 1892.							
War-bounty scrip	50.00			50.00	2.25	1.42	.83
Loan of 1860	10,000.00			10,000.00	250.00	250.00	
Loan of July and August, 1861, continued at 6 per cent	10,650.00			10,650.00	370.12	93.30	276.82
Loan of 1863, continued at 6 per cent	50.00			50.00	1.75	.15	1.60
Funded loan of 1881	350.00			350.00	11.67	26.76	14.09
Funded loan of 1881, continued at 3½ per cent	500.00			500.00	10.79	4.25	6.54
Loan of 1882	15,700.00			15,700.00	718.00	53.64	164.36
Funded loan of 1891	21,225,800.00			21,225,800.00	1,085,412.69	1,010,946.75	905,178.94
Funded loan of 1891, continued at 2 per cent	47,700.00			47,700.00	592.58	41.93	750.45
Total	21,310,800.00			21,310,800.00	1,087,070.03	186,412.20	906,961.45
JUNE 30, 1893.							
War-bounty scrip	25.00			25.00	.75	.75	
Loan of February, 1861	1,500.00			1,500.00	90.00	90.00	63.00
Loan of July and August, 1861	7,650.00			7,650.00	228.00	2,550.00	2,130.00
Loan of July and August, 1861, continued at 3½ per cent	2,000.00			2,000.00	35.00	24.74	10.26
Loan of 1863, continued at 3½ per cent	1,000.00			1,000.00	17.50	8.10	9.40
Funded loan of 1881, continued at 3½ per cent	1,000.00			1,000.00	23.33	.86	22.47
Funded loan of 1881, continued at 3½ per cent	76,850.00			76,850.00	2,655.75	377.80	2,277.95
Loan of 1882	511,700.00			511,700.00	16,580.99	5,977.72	10,603.27
Funded loan of 1891							
Total	604,175.00			604,175.00	19,529.32	8,857.97	10,731.35

JUNE 30, 1894.							
Loan of July and August, 1861	100.00			100.00	6.00	3.00	3.00
Loan of July and August, 1861, continued at 3½ per cent	18,000.00			18,000.00	630.00	270.99	359.01
Funded loan of 1881	1,000.00			1,000.00	158.33	151.51	6.82
Funded loan of 1881, continued at 3½ per cent	15,400.00			15,400.00	359.33	134.75	224.58
Loan of 1882	4,400.00			4,400.00	73.00	22.29	50.71
Funded loan of 1891	176,000.00			176,000.00	6,278.81	1,721.51	4,557.30
Total	214,900.00			214,900.00	7,505.47	2,304.05	5,201.42
JUNE 30, 1895.							
Loan of July and August, 1861	7,400.00			7,400.00	325.50	321.00	4.50
Loan of 1863	3,000.00			3,000.00	90.00	90.00	
Funded loan of 1881	3,100.00			3,100.00	163.33	454.64	291.31
Funded loan of 1881, continued at 3½ per cent	2,500.00			2,500.00	36.46	19.99	16.47
Loan of 1882	7,350.00			7,350.00	97.12	47.47	49.65
Funded loan of 1891	96,200.00			96,200.00	3,509.04	1,810.73	1,698.31
Total	119,550.00			119,550.00	4,221.45	2,743.83	1,477.62
JUNE 30, 1896.							
Oregon war debt	50.00			50.00	12.00	12.00	
Loan of July and August, 1861	500.00			500.00	30.00	15.00	15.00
Loan of 1863	500.00			500.00	30.00	15.00	15.00
Funded loan of 1881	3,200.00			3,200.00	394.17	397.43	3.26
Loan of July and August, 1861, continued at 3½ per cent	2,000.00			2,000.00	70.00	35.00	35.00
Loan of 1882	3,200.00			3,200.00	41.50	22.10	19.40
Funded loan of 1891	58,150.00			58,150.00	2,876.41	1,159.68	1,716.73
Total	67,600.00			67,600.00	3,454.08	1,656.21	1,797.87
JUNE 30, 1897.							
Loan of July and August, 1861	2,400.00			2,400.00	2,175.00	2,169.00	6.00
Five-twenties of 1862	1,000.00			1,000.00	520.00	486.74	33.26
Loan of 1863	500.00			500.00	30.00	15.00	15.00
Funded loan of 1881	500.00			500.00	16.67	1.37	15.30
Funded loan of 1881, continued at 3½ per cent	1,000.00			1,000.00	23.33	8.75	14.58
Loan of July and August, 1861, continued at 3½ per cent	1,500.00			1,500.00	43.75	25.03	18.72
Loan of July 12, 1882	1,600.00			1,600.00	32.00	10.49	21.51
Funded loan of 1891	237,400.00			237,400.00	13,426.16	7,178.20	6,247.96
Total	245,900.00			245,900.00	16,266.91	9,894.58	6,372.33
JUNE 30, 1898.							
Loan of July and August, 1861	11,000.00			11,000.00	2,130.00	1,830.00	300.00
Funded loan of 1881	2,650.00			2,650.00	233.95	174.65	59.30
Funded loan of 1881, continued at 3½ per cent	100.00			100.00	1.46	.88	.58
Funded loan of 1891	21,350.00			21,350.00	369.18	166.87	202.31
Loan of July 12, 1882	100.00			100.00	3.50	.36	3.14
Total	35,200.00			35,200.00	2,738.09	2,172.76	565.33

TABLE E.—STATEMENT SHOWING THE PURCHASE AND REDEMPTION OF BONDS ON ACCOUNT OF THE SINKING FUND, ETC.—Continued.

Year ended—	Principal redeemed.	Premium paid.	Net cost in currency.	Net cost estimated in gold.	Interest due at close of fiscal year.	Accrued interest paid in coin.	Balance of interest due at close of fiscal year.
JUNE 30, 1899.							
Loan of July and August 1861	$2,300.00			$2,300.00	$2,277.00	$2,277.00	
Loan of 1865	500.00			500.00	30.00	15.00	$15.00
Funded loan of 1881	1,100.00			1,100.00	187.92	153.60	4[illegible]
Funded loan of 1881 continued at 4 per cent	500.00			500.00	20.42	2.49	17.93
Loan of July 12, 1882	5,100.00			5,100.00	139.50	25.56	113.94
Funded loan of 1891	17,550.00			17,550.00	1,172.80	700.21	472.59
Total	27,050.00			27,050.00	3,827.64	3,173.86	655.78
Grand total	$15,149,475.00	$43,998,454.43	$157,677,967.61	$36,897,619.21	29,508,398.52	8,270,843.86	21,237,554.66

TABLE F.—SINKING FUND ACCOUNT FOR FISCAL YEAR 1899.

DR.				CR.	
July 1 1898	To balance from last year	$295,237,501.93	June 30, 1899	By principal of bonded debt redeemed in 1899	$27,050.00
	To 1 per cent on the principal of the public debt on June 30, 1898, less coin and currency certificates and Treasury notes and cash available for reduction of the debt, viz. $1,[illegible]	11,927,45[illegible]		By accrued interest thereon	3,173.86
June 30, 1899	To interest on redemption prior to fiscal year 1899	40,069,[illegible].29		By accrued interest thereon	4,223.48
	To interest on $31,123.48, amount of debt "paid" during fiscal year 1899	4,072.45		By fractional currency and notes redeemed in 1899	119.60
				By accrued interest thereon	[illegible]
				By balance	348,603,761.36
		348,638,328.30			348,638,328.30

TABLE G.—POPULATION, NET REVENUE, AND NET EXPENDITURES OF THE GOVERNMENT FROM 1837 TO JUNE 30, 1899, AND PER CAPITA OF THE REVENUES AND PER CAPITA OF EXPENDITURES.

Year.	Population.	Net revenue.	Per capita on revenue.	Net expenses.	Percapita on expenditures.
1837	15,655,000	$24,954,153.00	$1.59	$37,243,496.00	$2.38
1838	16,112,000	26,302,562.00	1.63	33,865,059.00	2.10
1839	16,584,000	31,482,750.00	1.90	26,899,128.00	1.62
1840	17,069,453	19,480,115.00	1.14	24,317,579.00	1.42
1841	17,591,000	16,860,160.00	.96	26,565,873.00	1.51
1842	18,132,000	19,976,197.00	1.10	25,205,761.00	1.39
1843 (six months)	18,694,000	8,302,702.00	.89	11,858,075.00	1.27
1844	19,276,000	29,321,374.00	1.62	22,337,571.00	1.16
1845	19,878,000	29,970,106.00	1.51	22,937,408.00	1.15
1846	20,500,000	29,699,968.00	1.45	27,766,925.00	1.35
1847	21,143,000	26,495,769.00	1.25	57,281,412.00	2.71
1848	21,805,000	35,735,779.00	1.64	45,377,225.00	2.08
1849	22,489,000	31,208,143.00	1.39	45,051,657.00	2.00
1850	23,191,876	43,603,439.00	1.88	39,543,492.00	1.71
1851	23,995,000	52,559,304.00	2.19	47,709,017.00	1.99
1852	24,802,050	49,846,816.00	2.01	44,194,919.00	1.78
1853	25,615,000	61,587,054.00	2.40	48,184,111.00	1.88
1854	26,433,000	73,800,341.00	2.79	58,044,862.00	2.20
1855	27,256,000	65,350,575.00	2.40	59,742,668.60	2.19
1856	28,083,000	74,056,699.00	2.64	69,571,026.00	2.48
1857	28,916,000	68,965,313.00	2.38	67,795,708.00	2.34
1858	29,753,000	46,655,366.00	1.57	74,185,270.00	2.49
1859	30,596,000	53,486,466.00	1.75	69,070,977.00	2.26
1860	31,443,321	56,064,608.00	1.78	63,130,598.00	2.01
1861	32,064,000	41,509,930.00	1.29	66,546,645.00	2.08
1862	32,704,000	51,987,455.00	1.59	474,761,819.00	14.52
1863	33,365,000	112,697,291.00	3.38	714,740,725.00	21.42
1864	34,046,000	264,626,772.00	7.77	865,322,614.00	25.42
1865	34,748,000	333,714,605.00	9.60	1,297,555,224.00	37.34
1866	35,469,000	558,032,620.00	15.73	520,809,417.00	14.68
1867	36,211,000	490,634,010.00	13.55	357,542,675.00	9.87
1868	36,973,000	405,038,083.00	10.97	377,340,285.00	10.21
1869	37,756,000	370,943,747.00	9.82	322,865,278.00	8.55
1870	38,558,371	411,255,478.00	10.67	309,653,561.00	8.03
1871	39,555,000	383,323,945.00	9.69	292,177,188.00	7.39
1872	40,596,000	374,106,868.00	9.22	277,517,963.00	6.84
1873	41,677,000	333,738,205.00	8.01	290,345,245.00	6.97
1874	42,796,000	304,978,755.00	7.13	302,633,873.00	7.07
1875	43,951,000	288,000,051.00	6.55	274,623,393.00	6.25
1876	45,137,000	294,095,865.00	6.52	265,101,085.00	5.87
1877	46,353,000	281,406,419.00	6.07	241,334,475.00	5.21
1878	47,598,000	257,763,379.00	5.42	236,964,327.00	4.98
1879	48,866,000	273,827,184.00	5.60	166,947,884.00	5.46
1880	50,155,783	333,526,611.00	6.65	267,642,958.00	5.34
1881	51,316,000	360,782,293.00	7.00	260,712,888.00	5.08
1882	52,495,000	403,525,250.00	7.68	257,981,440.00	4.91
1883	53,693,000	398,287,582.00	7.41	265,408,138.00	4.94
1884	54,911,000	348,519,870.00	6.36	244,126,244.00	4.44
1885	56,148,000	323,690,706.00	5.76	260,226,935.00	4.63
1886	57,404,000	336,439,727.00	5.86	242,483,138.00	4.22
1887	58,680,000	371,403,277.00	6.33	267,932,179.00	4.56
1888	59,974,000	379,266,075.00	6.32	a 267,924,801.00	4.46
1889	61,289,000	387,050,059.00	6.31	b 299,288,978.00	4.88
1890	62,622,250	403,080,982.00	6.43	c 318,040,710.00	5.07
1891	63,975,000	392,612,447.31	6.14	d 365,773,905.35	5.71
1892	65,516,000	354,937,784.24	5.42	345,023,330.58	5.27
1893	66,946,000	385,819,628.78	5.76	383,477,954.49	5.73
1894	68,397,000	297,722,019.25	4.37	367,525,279.83	5.37
1895	69,878,000	313,390,075.11	4.48	356,195,298.29	5.10
1896	71,390,000	326,976,200.38	4.58	332,179,446.08	4.93
1897	72,937,000	347,721,705.16	4.77	365,774,159.57	5.01
1898	74,522,000	405,321,335.20	5.44	443,368,582.80	5.95
1899	76,148,000	515,960,620.18	6.78	605,072,179.85	7.97

a This includes $8,270,842.46 of "premiums on purchase of bonds."
b This includes $17,292,362.65 of "premiums on purchase of bonds."
c This includes $20,304,224.06 of "premiums on purchase of bonds."
d This includes $10,401,220.61 of "premiums on purchase of bonds."

NOTE.—The net revenue and expenses and per capita on revenues for 1891 were erroneously stated by the Register of the Treasury in his reports for 1891, 1892, and 1893. (See Finance Reports for those years, pp. 845, 767, and 906.)

TABLE II.—INTERNAL AND CUSTOMS REVENUE AND EXPENSES OF COLLECTING, FROM 1858 TO 1899.

Year ended June 30—	Internal revenue.			Customs revenue.		
	Revenue. *a*	Expenses of collecting. *b*		Revenue. *a*	Expenses of collecting. *c*	
	Dollars.	*Dollars.*	*Per cent.*	*Dollars.*	*Dollars.*	*Per cent.*
1858	(*d*)	(*d*)	(*d*)	41, 789, 620. 96	2, 902, 336. 89	6. 94
1859	(*d*)	(*d*)	(*d*)	49, 565, 824. 38	3, 407, 931. 77	6. 85
1860	(*d*)	(*d*)	(*d*)	53, 187, 511. 87	3, 337, 188. 15	6. 27
1861	(*d*)	(*d*)	(*d*)	39, 582, 125. 64	2, 843, 455. 84	7. 18
1862	(*d*)	(*d*)	(*d*)	49, 056, 397. 62	3, 276, 560. 39	6. 67
1863	37, 640, 787. 95	108, 685. 00	. 29	69, 059, 642. 40	3, 181, 026. 17	4. 60
1864	109, 741, 134. 10	253, 372. 99	. 23	102, 316. 152. 99	4. 192, 582. 43	4. 09
1865	209, 461, 215. 25	385, 239. 52	. 18	84, 928. 260. 00	5, 415, 449. 32	6. 39
1866	309, 226, 813. 42	5, 783, 128. 77	1. 87	179, 046, 651. 58	5, 342, 469. 99	2. 98
1867	266, 027, 537. 43	7, 335, 029. 81	2. 77	176, 417, 810. 88	5, 763, 979. 01	3. 26
1868	191, 087, 589. 41	8, 705, 366. 36	4. 55	164, 464, 599. 56	7. 641, 116. 68	4. 65
1869	158, 356, 460. 86	7, 257, 176. 11	4. 59	180, 048, 426. 63	5, 388, 082. 31	2. 99
1870	184, 899, 756. 49	7, 253, 439. 81	3. 92	194, 538, 374. 44	6. 233, 747. 68	3. 20
1871	143, 098, 153. 63	7, 593, 714. 17	5. 30	206, 270. 408. 05	6, 568. 350. 61	3. 18
1872	130, 642, 177. 72	5, 694, 116. 86	4. 36	216, 370, 286. 77	6, 950, 173. 88	3. 21
1873	113, 729, 314. 14	5, 340, 230. 00	4. 69	188, 089, 522. 70	7, 077, 864. 70	3. 76
1874	102, 409, 784. 90	4, 509, 976. 05	4. 40	163, 103, 833. 69	7, 321, 469. 94	4. 49
1875	110, 007, 493. 58	4. 289. 442. 71	3. 89	157, 167, 722. 35	7. 028, 521. 80	4. 47
1876	116, 700, 732. 03	3, 942, 613. 72	3. 38	148, 071. 984. 61	6, 704, 858. 09	4. 53
1877	118, 630, 407. 83	3, 556, 943. 85	2. 99	130, 956, 493. 07	6, 501. 037. 57	4. 96
1878	110, 581, 624. 74	3, 280, 162. 22	2. 96	130, 170, 680. 26	5, 826, 974. 32	4. 47
1879	113, 561, 610. 58	3, 527, 956. 56	3. 10	137, 250. 047. 70	5, 477, 421. 52	3. 96
1880	124, 009, 373. 92	3, 657, 105. 10	2. 95	186. 522, 064. 60	6. 023. 253. 53	3. 23
1881	135, 264, 385. 51	4, 327, 793. 24	3. 20	198, 159. 676. 02	6, 383, 288. 10	3. 22
1882	146, 497, 595. 45	4, 097, 241. 34	2. 80	220, 410. 730. 25	6. 506, 359. 26	2. 95
1883	144, 720, 368. 98	4, 424, 707. 39	3. 06	214, 706, 496. 93	6. 593. 509. 43	3. 07
1884	121, 586, 072. 51	4, 216, 847. 26	3. 47	195, 067. 489. 76	6, 709, 485. 76	3. 44
1885	112, 498, 725. 54	3, 853, 035. 94	3. 42	181, 471. 939. 34	6. 494, 847. 29	3. 58
1886	116, 805, 936. 48	3, 578, 679. 42	3. 06	192, 905. 023. 44	6. 427. 612. 67	3. 33
1887	118, 823, 391. 22	3, 826, 507. 98	3. 22	217, 286. 893. 13	6, 855. 801. 74	3. 16
1888	124, 296, 871. 98	3, 626. 038. 91	2. 92	219, 091. 173. 63	7. 156, 187. 77	3. 27
1889	130, 881, 513. 92	3, 770, 388. 72	2. 88	223, 832, 741. 60	7, 030, 487. 00	3. 14
1890	142, 606, 705. 81	3, 780, 950. 41	2. 65	229, 668, 584. 57	6, 859. 986. 09	2. 98
1891	145, 686, 249. 44	4, 003, 485. 65	2. 75	219, 522, 205. 23	6, 964. 367. 09	3. 17
1892	153, 971, 072. 57	3, 879, 082. 31	2. 52	177, 452, 964. 15	6, 646, 276. 05	3. 74
1893	161, 027, 623. 93	4, 144, 927. 02	2. 57	203, 355, 016. 73	6. 756, 790. 98	3. 32
1894	147, 111, 232. 81	3, 749, 029. 22	2. 55	131, 818, 530. 62	6, 791, 872. 86	5. 15
1895	143, 421, 672. 02	3, 754, 935. 45	2. 62	152, 158, 617. 45	6. 736, 690. 92	4. 43
1896	146, 762, 864. 74	3, 846, 887. 55	2. 62	160, 021, 751. 67	7, 237, 796. 40	4. 52
1897	146, 688, 574. 29	3, 606, 798. 85	2. 46	176, 554, 126. 65	7, 075, 372. 05	4. 01
1898	170, 900, 641. 49	3, 705, 256. 95	2. 17	149, 575, 062. 35	7, 152, 276. 58	4. 78
1899	273, 437, 161. 51	4, 350, 543. 05	1. 59	206, 128, 481. 75	7, 361, 562. 83	3. 57

a Based on warrants issued.

b The cost of collecting the internal revenue embraces the following items: Salaries and expenses of collectors including pay of deputy collectors, clerks, etc., and including expenses incident to enforcing the provisions of law taxing oleomargarine; salaries and expenses of revenue agents, surveyors of distilleries, gaugers, storekeepers, and miscellaneous expenses; paper for internal-revenue stamps, and expenses of detecting and punishing violations of internal-revenue laws.

c The expenses of collecting the revenue from customs includes all sums drawn from the appropriation made by Congress for that purpose. The money is expended for salaries, rents, labor in weighing, gauging, and measuring imported merchandise, revenue boatmen, repairs, and other expenses incident to rented buildings, stationery, and the traveling expenses of special agents, but does not include expenditures for revenue cutters, fuel, lights, water, furniture, janitors, etc., for buildings owned by the Government, nor expenditures for erecting new buildings, all of which are paid for from specific appropriations made for those purposes.

The expenses of collecting internal and customs revenue do not include the expenditures for salaries, etc., incident to auditing these accounts in the Departments at Washington.

d No data.

TABLE I.—STATEMENT SHOWING THE REVENUES AND EXPENDITURES OF THE GOVERNMENT BY MONTHS; THE LEGAL-TENDER NOTES, NET GOLD, AND AVAILABLE CASH IN THE TREASURY AT THE END OF EACH MONTH; THE MONTHLY REDEMPTION OF LEGAL-TENDER NOTES IN GOLD, AND THE IMPORTS AND EXPORTS OF GOLD, FROM JANUARY, 1879, TO JUNE, 1899, INCLUSIVE.

Month.	Revenues, exclusive of postal.	Expenditures, exclusive of postal, principal of debt, and premium.	Surplus revenues.	Legal-tender notes in Treasury.	Net gold in Treasury.	Available cash balance, including net gold.	Legal-tender notes redeemed in gold.	Imports of gold.	Exports of gold.
1879—January	$20,757,406	$32,478,888	*a* $11,721,482	$30,579,531	$116,674,227	$336,449,861	$1,571,725	$274,707	$346,096
February	19,344,163	17,895,024	1,449,139	44,494,973	116,886,279	428,961,460	909,249	137,386	115,513
March	20,750,080	21,510,883	*a* 760,803	50,684,669	117,162,166	405,411,570	952,766	188,500	76,985
April	19,786,565	18,042,282	1,744,283	39,539,823	118,809,680	432,746,833	699,773	170,894	426,310
May	27,232,288	26,694,264	537,924	51,670,442	121,300,140	475,663,096	1,339,883	185,225	350,003
June	25,562,892	20,030,982	5,531,910	45,036,904	119,956,655	379,542,919	2,503,302	143,338	1,441,060
Total for 6 months	137,368,329	134,058,342	3,309,987				7,976,698	1,100,050	2,755,967
July	25,723,768	45,029,627	*a* 19,305,859	23,541,466	120,320,583	245,608,019	954,800	251,381	349,779
August	26,883,496	25,504,087	1,379,409	36,222,606	126,537,690	212,035,932	981,400	6,723,313	350,664
September	26,521,394	23,194,771	3,326,623	18,933,254	154,763,795	202,957,575	603,485	27,528,082	132,443
October	27,171,283	19,984,917	7,186,366	17,327,567	157,140,114	203,411,712	740,295	19,178,631	285,826
November	24,861,029	23,920,051	940,978	16,388,454	147,247,977	193,147,767	77,499	17,423,834	105,999
December	24,628,968	16,354,599	8,274,369	12,570,494	146,194,182	192,297,126	122,359	6,562,650	134,768
1880—January	29,827,580	28,152,650	1,674,930	11,614,562	143,340,027	190,203,772	71,500	795,568	226,205
February	27,899,648	20,045,821	7,763,827	15,054,093	136,995,458	188,960,589	72,080	464,473	149,612
March	30,326,695	13,320,440	17,006,255	15,760,081	135,766,551	193,084,807	43,020	892,180	1,166,679
April	30,103,369	18,333,183	11,770,186	17,489,280	130,726,646	191,789,673	16,000	166,432	89,192
May	29,000,101	14,382,225	14,617,876	18,183,020	120,699,196	193,998,696	51,000	123,580	106,497
June	27,621,089	21,311,525	6,309,564	18,785,559	118,181,527	188,670,884	47,200	648,272	541,361
Total for 12 months	333,526,611	264,847,637	68,678,974				3,780,638	80,758,396	3,639,025
July	34,521,013	35,532,121	*a* 1,011,108	19,024,124	115,274,646	186,190,329	25,000	244,330	61,886
August	32,864,049	23,487,616	9,376,433	20,444,849	120,018,180	189,613,598	22,000	9,145,390	90,909
September	30,101,835	18,386,706	11,715,129	17,263,613	127,764,733	186,802,191	150,000	18,846,998	80,914
October	28,095,209	21,995,004	6,100,205	13,793,993	133,278,253	181,042,437	9,000	16,256,058	169,871
November	25,612,967	21,924,410	3,688,557	11,124,937	143,981,139	180,921,571	12,000	9,555,391	220,759
December	28,006,721	19,657,441	8,349,280	8,761,818	150,213,716	184,354,528	25,000	16,506,026	158,574
1881—January	29,055,013	28,037,306	1,017,707	10,551,616	148,052,809	180,848,303	15,000	4,739,902	30,415
February	27,539,571	16,756,475	10,783,096	14,566,601	166,808,853	208,099,302	13,750	577,478	271,379
March	29,494,308	20,558,547	8,935,761	14,773,198	167,639,263	205,791,774		7,169,774	160,786
April	30,807,779	21,546,376	9,261,403	14,672,086	164,358,554	204,622,204		15,351,980	88,593
May	31,881,650	21,692,639	10,189,011	16,062,305	157,893,879	204,144,327		1,315,777	614,498
June	30,265,206	14,291,767	15,973,439	18,554,092	157,412,141	213,635,823		322,155	616,548
Total for 12 months	360,782,293	259,651,639	101,130,654				271,750	100,031,259	2,565,132

a Excess of expenditures.

TABLE I.—STATEMENT SHOWING THE REVENUES AND EXPENDITURES OF THE GOVERNMENT BY MONTHS, ETC.—Continued.

Month.	Revenues, exclusive of postal.	Expenditures, exclusive of postal principal of debt, and premium.	Surplus revenues.	Legal-tender notes in Treasury.	Net gold in Treasury.	Available cash balance including net gold.	Legal-tender notes redeemed in gold.	Imports of gold	Exports of gold.
1881—July	$33,896,016	$34,471,542	a$575,526	$49,099,910	$149,163,355	$201,544,433	.....	$750,852	$112,361
August	25,537,864	25,185,462	12,402,402	19,870,869	164,098,402	199,900,146	.....	5,427,196	178,648
September	34,125,621	16,421,052	17,704,569	19,025,132	169,122,025	204,520,280	.....	10,669,641	148,166
October	25,910,843	23,260,892	12,649,951	18,206,769	167,785,609	191,888,136	.....	8,285,490	176,941
November	28,736,605	29,051,328	8,652,277	17,441,078	173,025,684	196,806,619	.....	3,059,302	97,124
December	30,695,326	16,296,797	14,398,519	16,452,800	167,429,348	199,614,433	.....	2,728,175	108,084
1882—January	33,159,162	24,370,271	8,779,891	17,384,394	159,972,569	190,543,247	$40,000	1,134,040	102,219
February	30,946,324	22,053,826	8,842,498	18,256,850	168,585,554	197,166,334	.....	468,825	1,241,305
March	36,847,969	14,871,444	18,944,465	17,446,415	161,290,437	198,137,431	.....	849,566	3,228,840
April	34,468,589	21,245,758	13,222,022	17,637,824	149,997,982	194,050,180	.....	561,501	2,342,449
May	36,128,681	27,157,422	8,976,659	19,873,690	148,902,626	191,861,776	.....	244,626	15,289,494
June	34,786,789	16,459,073	15,327,716	21,425,589	143,477,370	195,892,449	.....	297,142	3,572,251
Total for 12 months	405,525,250	257,981,446	145,543,810	.....	.....	.....	40,000	34,377,054	32,587,880
July	36,838,729	29,417,846	6,920,880	22,749,590	140,062,590	194,192,970	.....	102,262	4,754,422
August	30,862,619	29,468,245	1,394,374	21,068,941	144,311,881	195,469,614	.....	424,878	1,685,212
September	36,847,567	21,488,119	15,359,448	21,408,158	147,831,667	198,541,173	75,000	1,135,799	229,849
October	32,162,388	29,977,505	11,184,878	19,854,196	148,435,473	203,642,794	.....	3,835,419	104,616
November	30,190,652	24,506,228	5,684,424	20,766,392	144,809,314	207,509,756	.....	2,241,787	54,725
December	38,416,578	16,564,913	14,851,665	18,870,595	134,989,758	204,969,509	.....	2,146,952	175,099
1883—January	32,645,466	22,217,007	9,828,459	21,162,247	125,618,195	200,015,520	.....	1,309,649	34,000
February	28,562,177	24,663,250	3,898,927	21,611,817	145,107,161	186,218,388	.....	291,011	745,715
March	32,286,235	24,241,289	8,044,946	20,413,561	141,308,201	191,353,208	.....	3,244,859	284,180
April	26,164,571	26,790,120	a625,609	23,919,623	139,189,242	184,775,368	.....	2,311,351	2,050,215
May	31,489,594	27,268,588	4,181,661	21,661,825	143,718,163	180,329,237	.....	272,015	935,106
June	34,373,966	16,012,234	18,361,632	23,148,829	138,271,198	197,177,342	.....	398,246	597,149
Total for 12 months	398,287,562	265,408,158	132,879,444	.....	.....	.....	75,000	17,754,149	11,600,888
July	32,000,844	37,669,830	a5,669,017	24,747,646	144,795,145	201,122,999	.....	429,754	100,870
August	31,188,372	26,175,668	5,012,544	25,756,566	149,672,405	199,090,167	.....	1,977,554	132,323
September	30,143,701	14,427,989	15,715,712	25,324,420	151,111,603	203,175,472	.....	2,283,272	196,345
October	31,067,269	21,976,141	9,061,158	24,568,037	157,453,760	204,491,640	.....	4,261,450	142,530
November	25,309,742	25,598,046	711,696	25,569,644	157,245,708	198,142,405	.....	4,363,818	103,368
December	25,089,279	12,955,437	12,974,842	25,161,249	145,429,509	198,698,241	.....	1,063,212	436,969
1884—January	27,820,145	19,950,931	7,869,214	25,021,189	141,750,736	204,184,209	.....	525,413	153,766
February	27,406,013	25,306,612	2,099,401	25,083,632	144,038,203	193,102,212	.....	122,304	3,411,157
March	28,070,739	12,146,297	15,924,442	30,949,652	142,259,357	206,510,463	380,000	905,201	12,224,135

April	27,309,812	23,938,337	3,371,475	30,845,833	139,624,821	206,087,499	30,000	3,010,429	21,047,525
May	30,371,894	19,771,318	10,600,576	27,701,841	142,206,908	200,985,324		1,626,531	2,711,864
June	26,932,088	16,116,114	10,815,974	27,993,802	133,729,954	200,764,698	180,000	2,074,599	131,105
Total for 12 months	348,519,870	244,126,244	104,393,626				590,000	22,831,317	41,081,957
July	29,273,994	33,669,398	*a* 4,395,404	29,562,990	119,048,061	193,111,148		2,283,103	159,106
August	31,366,509	27,694,326	3,672,183	26,573,554	122,465,717	195,657,070		2,758,300	175,619
September	29,229,119	17,173,912	12,055,207	20,894,873	130,514,382	204,247,262		1,477,672	77,350
October	26,189,428	23,345,061	2,844,367	16,172,172	134,670,790	203,537,189		2,451,402	192,533
November	22,235,568	21,374,428	861,140	9,625,683	138,015,071	194,624,455	100,000	8,192,904	443,529
December	22,835,045	21,856,261	978,784	11,739,575	141,688,432	192,198,215	120,000	2,231,799	220,557
1885—January	25,872,129	21,160,424	4,711,705	13,873,469	125,187,595	194,554,277	460,000	2,074,923	1,446,326
February	24,093,399	19,222,957	4,870,442	18,726,822	127,346,553	199,744,172	215,000	1,887,965	1,635,828
March	26,310,735	24,844,630	1,466,105	20,473,288	125,793,257	199,386,144	995,000	1,756,597	833,082
April	26,063,927	26,684,586	*a* 620,659	21,465,690	117,927,395	200,536,203		782,533	1,157,995
May	28,709,136	23,597,525	5,111,611	23,492,109	115,810,533	205,713,201		564,735	1,393,975
June	27,157,016	15,255,658	11,901,358	15,462,379	120,298,895	217,198,975	332,000	229,763	741,992
Total for 12 months	323,690,706	260,226,935	63,463,771				2,222,000	26,691,696	8,477,892
July	26,767,293	33,683,234	*a* 6,915,941	16,998,997	126,078,596	215,350,735	464,500	588,412	1,329,570
August	28,064,261	23,792,525	4,271,736	24,793,656	126,371,928	219,646,977	105,200	733,907	359,317
September	29,971,026	16,013,054	13,957,972	27,944,332	133,113,324	235,206,722	91,900	2,986,116	151,568
October	28,872,905	21,533,673	7,339,232	27,550,341	142,338,589	243,565,741	48,300	1,323,811	139,120
November	25,381,164	23,584,936	1,796,228	25,735,643	146,391,486	245,769,440	85,300	5,096,358	438,460
December	25,757,702	15,032,713	10,724,989	27,941,200	147,991,809	257,887,815	130,200	5,620,191	1,789,974
1886—January	24,737,858	22,753,131	1,984,727	33,300,389	136,086,610	265,217,967	63,500	1,705,841	2,581,674
February	25,971,994	22,205,315	3,766,679	32,277,292	144,164,038	265,914,243	126,200	986,384	5,654,309
March	30,076,168	13,981,676	16,094,492	30,289,485	151,379,525	275,765,409	647,800	840,337	9,920,761
April	26,871,590	21,052,775	5,818,815	26,088,774	155,865,308	278,349,307	514,600	350,751	4,812,256
May	27,751,724	17,356,327	10,395,397	26,289,098	156,304,709	281,911,856	1,754,100	248,550	7,395,039
June	32,510,620	21,690,993	10,819,627	22,868,317	156,793,749	287,513,959	2,832,099	262,691	8,380,143
Total for 12 months	336,439,727	242,483,138	93,956,589				6,863,699	20,743,349	42,952,191
July	29,636,971	29,403,011	233,960	21,939,142	158,933,205	283,393,146	1,296,339	582,052	1,175,311
August	32,195,326	28,908,867	3,286,459	35,579,647	157,732,289	281,514,029	1,446,269	4,958,557	130,765
September	31,686,702	20,583,192	11,103,510	36,519,081	157,917,211	279,844,031	239,200	4,994,609	308,360
October	29,538,498	23,474,961	6,063,537	30,967,305	158,537,179	278,970,868	173,200	5,412,995	264,012
November	27,576,103	25,657,709	1,918,394	29,548,188	163,930,220	274,182,628	146,000	9,310,607	355,245
December	28,622,815	18,483,715	10,139,100	23,169,326	170,912,414	279,521,562	110,200	11,655,807	305,347
1887—January	28,395,921	23,384,902	5,011,019	24,283,682	168,475,361	281,584,675	104,600	3,535,928	628,993
February	29,773,878	25,485,121	4,288,757	25,689,202	175,130,262	279,779,423	125,640	143,611	1,677,397
March	33,358,165	21,627,371	11,730,794	21,159,938	181,939,848	282,878,549	174,250	577,965	2,444,926
April	30,076,657	20,229,703	9,846,954	20,225,474	180,902,431	286,028,531	142,230	329,278	1,494,246
May	33,834,282	22,409,349	11,424,933	21,767,376	186,667,774	291,144,324	175,825	903,939	296,269
June	33,070,985	14,959,888	18,111,097	20,013,797	186,875,669	304,316,868	90,320	505,253	620,316
Total for 12 months	371,463,278	267,932,180	103,471,098				4,224,073	42,910,601	9,701,187

a Excess of expenditures.

TABLE I.—STATEMENT SHOWING THE REVENUES AND EXPENDITURES OF THE GOVERNMENT BY MONTHS, ETC.—Continued.

Month.	Revenues, exclusive of postal.	Expenditures, exclusive of postal principal of debt, and premium.	Surplus revenues.	Legal-tender notes in Treasury.	Net gold in Treasury.	Available cash balance, including net gold.	Legal-tender notes redeemed in gold.	Imports of gold.	Exports of gold.
1887—July	[illegible]	$15,136,924	*a* $1,322,052	$19,633,740	$186,306,330	$291,986,110	$115,700	$2,177,732	$495,776
August	35,630,116	28,252,786	7,366,330	21,157,539	193,274,194	290,746,562	149,820	5,978,776	241,961
September	[illegible]	17,027,786	16,832,020	17,619,212	192,717,947	289,063,662	155,160	14,089,274	175,917
October	[illegible]	19,711,467	12,001,705	15,261,067	202,859,832	296,071,378	43,700	12,880,682	312,503
November	[illegible]	28,375,089	752,579	16,318,220	211,880,526	295,527,449	46,200	4,952,593	360,136
December	[illegible]	12,980,554	16,679,250	15,424,425	208,608,140	312,105,882	50,220	1,803,248	365,986
1888—January	[illegible]	21,866,836	8,906,311	18,015,469	202,955,184	321,585,692	19,250	385,471	624,240
February	[illegible]	19,808,468	11,294,463	22,267,687	212,869,914	329,595,323	30,924	1,014,768	1,667,018
March	[illegible]	16,921,207	12,246,666	24,170,023	218,818,253	344,167,069	14,024	2,270,849	2,113,510
April	[illegible]	24,418,972	5,432,818	28,491,614	213,239,994	341,408,408	58,950	748,164	958,087
May	[illegible]	25,076,375	7,841,827	33,928,200	200,301,129	327,846,974	49,371	319,279	7,876,774
June	[illegible]	15,212,979	17,278,698	37,983,204	193,866,247	345,627,012	13,000	293,170	3,154,276
Total for 12 months	[illegible]	259,656,959	119,612,116	.....	.....	.....	692,596	43,934,317	18,376,244
July	[illegible]	35,384,705	*a* 4,778,867	39,825,740	194,592,280	341,612,468	78,990	347,046	3,829,852
August	[illegible]	23,812,916	11,819,265	41,580,393	206,383,636	333,528,534	63,363	297,843	191,130
September	[illegible]	14,824,589	16,873,594	40,628,963	197,713,146	321,657,944	22,444	1,275,356	324,425
October	[illegible]	28,091,756	3,874,448	36,843,720	191,074,575	295,388,421	57,071	1,222,189	686,472
November	[illegible]	37,555,065	*a* 6,973,558	35,262,956	199,349,134	274,748,209	30,226	1,960,847	5,476,262
December	[illegible]	14,964,389	15,195,874	30,875,860	203,885,219	283,955,835	51,582	906,500	7,725,351
1889—January	[illegible]	25,902,351	5,175,345	29,446,498	194,655,264	281,795,807	31,450	649,006	1,197,080
February	[illegible]	32,934,380	*a* 2,809,220	29,300,511	196,245,980	266,404,441	16,407	817,400	1,478,208
March	31,913,991	16,773,339	14,240,652	25,051,231	197,874,422	273,679,979	13,240	680,359	4,392,584
April	31,458,799	20,576,029	10,882,770	23,770,137	191,589,112	272,025,039	14,800	805,753	3,176,014
May	35,773,199	24,978,333	11,794,866	27,730,587	192,252,715	275,109,610	139,369	753,891	13,445,033
June	32,757,908	13,527,113	19,230,795	29,601,085	186,711,560	287,531,010	199,312	658,685	18,130,874
Total for 12 months	[illegible]	281,906,616	105,053,443	.....	.....	.....	730,143	10,284,858	59,952,285
July	[illegible]	41,709,408	*a* 9,844,258	30,364,366	182,218,164	274,000,688	79,946	856,392	5,284,786
August	[illegible]	34,530,859	*a* 39,954	32,325,935	180,054,670	261,774,370	16,475	497,927	420,176
September	[illegible]	14,190,048	17,226,273	21,170,958	189,196,423	254,206,227	12,124	2,409,691	289,580
October	[illegible]	26,307,269	6,185,318	17,[illegible]	187,572,386	248,542,455	370,028	796,988	2,233,463
November	[illegible]	24,169,159	7,347,508	14,844,022	187,496,672	242,633,405	18,698	1,773,767	575,742
December	[illegible]	24,191,021	6,404,483	6,675,925	190,873,052	243,524,103	41,809	1,304,850	312,920
1890—January	[illegible]	25,772,455	8,888,703	7,666,424	147,386,285	228,845,049	111,295	1,059,857	460,969
February	[illegible]	24,103,794	6,762,424	9,[illegible]865	187,988,948	229,309,291	19,803	1,476,433	1,170,690
March	[illegible]	15,540,141	19,238,040	6,949,057	188,287,715	228,689,876	9,513	1,622,432	1,456,824

April	34,017,041	29,234,006	4,783,035	7,209,411	186,235,572	227,213,755	19,464	478,353	1,052,355
May	35,443,552	26,422,413	9,021,139	9,892,799	190,544,854	228,336,445	30,164	280,902	288,620
June	37,546,892	14,641,383	22,905,509	11,804,190	190,232,405	245,612,464	11,987	385,830	3,731,366
Total for 12 months	403,080,983	297,736,487	105,344,496				732,386	12,943,342	17,274,491
July	37,999,466	36,694,820	1,304,646	12,163,412	184,092,074	234,069,918	45,220	1,195,054	11,860,029
August	33,906,909	32,624,992	1,281,917	12,806,810	185,837,581	215,907,111	19,740	1,724,565	2,135,853
September	36,783,335	26,740,833	10,042,502	6,737,790	147,981,732	179,120,347	12,650	1,425,632	281,627
October	39,222,174	35,690,721	3,531,453	7,834,912	156,315,624	175,131,439	11,520	2,621,638	425,235
November	28,678,675	40,460,338	a 11,781,663	6,874,864	162,439,381	164,386,294	24,873	1,926,401	567,152
December	31,106,165	18,043,079	13,063,086	5,389,348	148,972,935	163,242,409	31,954	6,033,013	632,354
1891—January	36,810,233	21,479,968	15,330,265	10,697,802	141,728,097	174,983,938	47,229	1,397,918	728,246
February	29,273,173	29,445,669	a 172,496	10,685,586	149,712,824	168,395,989	41,493	565,304	4,010,146
March	29,027,455	29,062,737	a 35,282	4,677,045	148,118,150	163,915,855	66,399	614,170	5,155,736
April	25,465,232	23,791,108	1,674,124	5,207,344	141,742,241	161,718,803	41,055	233,318	14,163,116
May	27,289,306	27,690,327	a 401,021	9,177,337	133,207,164	158,886,719	2,288,479	212,648	30,580,760
June	31,631,850	33,628,103	a 1,996,253	11,366,996	117,667,723	153,893,809	3,355,458	282,906	15,822,400
Total for 12 months	392,612,447	355,372,685	37,239,762				5,986,070	18,232,567	86,362,654
July	34,158,245	38,100,294	a 3,942,049	10,833,409	121,113,024	155,783,717	1,835,912	1,029,148	6,662,674
August	28,773,981	19,537,484	9,236,497	14,467,265	132,471,409	160,274,395	297,633	1,394,755	172,168
September	27,165,554	22,267,038	4,898,516	9,150,717	132,523,222	144,987,969	242,820	7,451,428	345,290
October	28,448,562	30,650,811	a 2,202,249	5,613,813	127,674,422	139,671,919	763,059	16,897,947	809,595
November	26,802,888	26,156,048	646,840	5,528,073	129,193,224	139,126,919	406,094	8,871,717	381,949
December	27,646,516	30,424,728	a 2,778,212	5,679,710	130,740,631	134,574,129	317,966	6,018,851	254,501
1892—January	30,383,479	34,175,350	a 3,791,871	5,338,384	119,574,905	131,368,461	312,053	552,014	246,466
February	30,698,945	25,962,726	4,736,219	4,716,987	122,122,113	132,162,204	476,200	2,826,962	6,507,180
March	29,836,606	27,784,217	2,052,389	4,932,842	125,815,040	132,898,884	732,731	3,084,406	6,309,956
April	26,971,224	30,059,632	a 3,088,408	3,412,075	119,909,757	131,518,162	696,726	487,041	7,521,823
May	28,228,398	31,732,794	a 3,504,396	4,821,028	114,231,883	126,005,887	622,123	591,159	3,854,222
June	30,958,618	27,922,412	3,036,206	8,696,590	114,342,367	126,692,377	2,422,526	494,026	17,129,503
Total for 12 months	354,937,784	345,023,330	9,914,454				9,125,843	49,699,454	50,195,327
July	34,314,356	36,333,977	a 2,019,621	11,918,607	110,444,391	127,050,286	9,234,705	542,440	10,782,638
August	33,479,059	31,440,254	2,038,805	12,191,147	114,156,316	129,152,343	6,140,874	333,282	6,049,981
September	31,797,629	28,192,423	3,605,206	12,270,343	119,395,509	131,895,918	4,087,799	1,303,536	3,627,663
October	31,288,540	31,187,962	100,578	6,094,592	124,206,120	131,011,402	598,365	3,118,330	484,250
November	28,739,895	29,640,778	a 900,883	6,597,293	124,409,657	130,328,919	698,146	2,577,212	1,138,647
December	33,069,964	33,460,000	a 393,036	11,353,443	121,266,663	129,092,590	10,237,812	1,540,538	12,879,727
1893—January	35,003,052	38,351,452	a 3,348,400	16,556,021	108,181,713	125,265,067	11,496,617	370,843	12,584,396
February	29,698,142	30,866,273	a 1,168,131	18,676,514	103,284,219	124,128,089	13,828,664	1,257,539	14,245,607
March	34,115,810	31,633,482	2,482,328	19,751,069	106,892,224	125,630,728	4,926,453	6,608,437	8,113,428
April	28,415,368	33,238,886	a 4,823,518	21,324,574	97,011,330	121,482,903	20,051,910	803,985	19,148,964
May	30,928,858	30,210,787	718,071	21,388,384	95,048,641	121,565,155	16,547,849	1,708,557	16,914,317
June	30,717,102	28,775,469	1,941,633	20,398,866	95,485,414	122,462,290	4,250,651	1,009,682	2,711,226
Total for 12 months	385,819,629	383,477,955	2,341,674				102,100,345	21,174,381	108,680,844

a Excess of expenditures.

TABLE I.—STATEMENT SHOWING THE REVENUES AND EXPENDITURES OF THE GOVERNMENT BY MONTHS, ETC.—Continued.

Month	Revenues, exclusive of postal.	Expenditures, exclusive of postal, principal of debt and premium.	Surplus revenues.	Legal-tender notes in Treasury.	Net gold in Treasury.	Available cash balance, including net gold.	Legal-tender notes redeemed in gold.	Imports of gold.	Exports of gold.
1893—July	$30,905,776	$30,675,889	*a* $8,770,113	$18,943,822	$99,202,933	$117,887,566	$1,036,015	$5,950,613	$174,212
August	23,890,885	33,305,228	*a* 9,414,343	13,899,705	96,209,123	107,283,910	2,348,222	41,572,041	949,502
September	24,582,756	25,478,010	*a* 895,254	8,746,951	93,582,172	106,875,632	340,727	6,678,945	1,436,862
October	24,356,395	29,588,792	*a* 5,035,597	4,380,594	84,384,863	102,294,291	695,392	1,584,937	511,018
November	25,979,401	31,302,026	*a* 7,322,625	4,890,567	82,959,049	95,199,616	516,372	4,471,575	331,746
December	22,312,627	30,058,261	*a* 7,746,234	6,289,086	80,891,600	90,375,555	517,418	746,245	2,654,545
1894—January	24,082,759	31,509,670	*a* 7,226,931	4,682,696	65,650,175	84,082,098	356,356	705,647	1,279,137
February	22,269,299	26,725,374	*a* 4,456,075	17,227,906	106,527,068	138,602,364	19,193,354	2,140,982	3,209,817
March	24,842,708	31,147,560	*a* 6,294,762	14,953,122	106,149,136	133,950,026	3,461,192	1,091,392	4,020,633
April	22,692,364	32,072,836	*a* 9,380,472	16,754,286	100,202,209	125,097,787	7,666,127	2,321,661	11,726,771
May	23,066,994	29,779,141	*a* 6,712,147	29,445,979	78,693,267	117,854,335	26,541,082	4,282,745	27,406,801
June	26,485,926	25,557,021	928,905	36,696,053	64,873,025	117,584,437	22,169,893	963,348	23,280,229
Total for 12 months	297,722,019	367,525,280	*a* 69,803,261				84,842,150	72,449,149	76,978,061
July	34,809,340	36,648,583	*a* 1,839,243	42,950,390	54,975,607	119,065,451	13,923,475	1,406,629	14,230,201
August	49,417,606	31,656,637	8,760,969	52,439,842	55,216,900	127,148,096	4,741,443	3,183,348	5,148,651
September	22,621,229	30,323,019	*a* 7,701,790	53,756,428	58,875,317	119,919,718	936,518	655,595	237,477
October	19,139,240	32,713,040	*a* 13,573,800	40,586,483	61,361,827	107,340,146	3,047,890	1,602,665	1,082,814
November	19,411,494	28,477,189	*a* 9,065,785	39,039,691	105,424,569	144,507,656	7,799,747	1,935,804	428,213
December	21,856,137	27,145,461	*a* 5,269,324	63,284,108	86,244,445	153,337,579	31,997,221	377,950	9,802,389
1895—January	27,894,400	34,574,447	*a* 6,719,047	85,627,989	44,705,967	144,603,362	15,147,758	1,241,539	25,929,828
February	22,[illegible]057	25,626,035	*a* 2,807,978	84,293,215	87,085,511	178,197,587	5,560,952	5,632,197	1,565,194
March	25,470,576	25,746,957	*a* 246,381	81,792,746	90,643,307	187,947,260	1,089,685	7,246,584	3,126,094
April	24,247,836	32,990,676	*a* 8,742,840	69,736,082	91,247,145	180,817,916	1,017,571	4,923,371	2,893,610
May	25,272,078	28,558,214	*a* 3,286,136	61,587,457	99,151,409	185,370,101	1,166,492	4,856,264	1,585,071
June	25,615,474	21,083,029	3,932,445	56,276,252	107,512,363	195,240,153	1,046,196	2,095,391	131,641
Total for 12 months	313,390,075	356,195,298	*a* 42,805,223				117,354,198	35,146,734	66,131,183
July	29,069,698	38,548,064	*a* 9,478,366	49,897,588	107,256,487	187,149,532	3,826,795	571,451	3,867,518
August	28,952,697	32,588,185	*a* 3,635,488	57,647,881	100,329,837	184,039,157	16,564,067	1,534,086	16,667,261
September	27,549,678	24,320,482	3,229,196	79,107,454	92,911,974	185,405,365	17,377,484	749,456	17,424,065
October	27,901,748	34,503,425	*a* 6,601,677	77,520,347	92,943,180	179,947,999	2,166,883	1,797,040	1,873,897
November	25,986,503	27,199,283	*a* 1,212,780	90,156,477	79,333,966	177,406,386	16,034,590	591,309	14,059,497
December	26,288,938	25,814,317	474,621	106,264,654	63,262,268	178,027,200	20,212,695	1,310,448	15,481,347
1896—January	29,237,670	32,529,341	*a* 3,291,671	99,113,271	49,845,508	171,591,780	16,448,508	10,367,940	10,566,526
February	26,059,228	26,749,956	*a* 690,728	104,042,173	123,962,080	262,707,207	21,736,876	11,559,089	2,183,709
March	26,041,140	27,274,994	*a* 1,233,845	112,284,848	128,646,461	271,641,748	6,856,546	677,733	384,080

1896—April	24,282,893	28,987,382	a 4,704,489	108,549,890	125,393,900	270,090,662	7,130,618	1,119,768	3,782,266
May	24,643,718	28,426,593	a 3,782,875	120,993,035	108,345,234	267,193,210	22,639,547	694,498	19,103,913
June	27,794,219	25,444,789	2,349,430	123,855,577	101,699,605	267,432,097	8,261,347	837,669	6,915,066
Total for 12 months	326,976,200	352,179,446	a 25,203,246				158,655,956	31,720,487	112,309,136
July	29,029,209	42,088,468	a 13,059,259	102,125,226	110,718,746	256,158,473	17,285,078	1,505,928	11,908,141
August	25,562,097	35,701,677	a 10,139,580	111,809,038	100,957,561	243,346,401	12,369,725	4,057,101	1,970,104
September	24,584,245	26,579,535	a 1,995,290	98,868,949	124,034,672	241,154,457	4,661,446	34,159,130	61,050
October	26,282,830	33,978,277	a 7,695,447	96,535,206	117,126,524	233,572,762	12,073,835	27,961,083	343,168
November	25,210,696	33,260,720	a 8,050,024	75,034,912	131,510,353	225,357,098	4,062,410	7,344,228	423,399
December	25,857,114	23,812,665	2,044,449	70,628,317	137,316,544	228,320,380	1,131,846	2,567,115	405,856
1897—January	24,316,994	30,269,389	a 5,952,395	48,509,678	144,809,493	215,362,421	946,068	556,621	371,944
February	24,400,997	28,796,057	a 4,395,060	41,425,059	148,661,209	212,837,256	924,124	544,700	336,697
March	36,217,662	27,212,998	9,004,664	50,593,846	151,786,464	222,045,606	1,249,329	884,166	572,068
April	37,812,135	32,072,097	5,740,038	53,480,533	153,340,890	228,090,517	7,502,008	619,452	6,629,406
May	29,797,391	29,109,259	688,132	61,188,187	144,319,563	230,113,813	8,882,609	561,666	9,467,211
June	36,584,708	22,934,695	13,650,013	67,929,521	140,790,738	240,137,627	7,113,445	650,343	7,625,678
Total for 12 months	347,721,705	365,774,160	a 18,052,455				78,201,914	81,411,533	40,114,722
July	39,027,364	50,100,909	a 11,073,545	64,306,457	140,817,699	233,016,457	5,275,143	592,197	5,460,119
August	19,023,615	33,588,047	a 14,564,432	58,500,670	144,216,377	218,561,207	3,116,276	4,376,395	1,983,588
September	21,933,098	25,368,816	a 3,435,718	63,578,689	147,663,105	215,192,787	2,742,173	4,289,423	142,922
October	24,391,415	33,701,512	a 9,310,097	46,952,343	153,573,147	207,756,100	2,096,301	11,351,766	311,671
November	43,363,605	37,810,839	5,552,766	38,974,898	157,363,851	220,663,560	2,110,416	2,545,018	699,340
December	59,646,698	37,634,092	32,012,606	43,789,433	160,911,547	235,474,769	2,019,399	2,110,043	573,538
1898—January	37,333,628	36,696,711	636,917	28,617,220	164,236,793	223,871,786	1,209,916	5,716,776	2,656,195
February	28,572,358	26,599,256	1,973,102	40,291,680	167,623,182	225,564,204	1,635,813	5,329,109	1,030,412
March	32,958,751	31,882,444	1,076,307	45,381,277	174,584,136	226,166,944	1,583,770	30,214,745	658,834
April	33,012,943	44,314,062	a 11,301,119	34,820,008	181,238,137	215,810,622	1,155,907	32,345,138	1,323,624
May	30,074,818	47,849,909	a 17,775,091	31,692,454	171,818,055	195,754,815	548,997	13,118,654	109,157
June	33,509,313	47,852,282	a 14,342,969	36,605,387	167,004,410	205,657,571	903,852	3,184,774	375,529
Total for 12 months	405,321,335	443,368,583	a 38,047,248				24,397,963	115,173,988	15,324,929
July	43,847,109	74,263,475	a 30,416,366	51,099,556	189,444,714	254,844,215	4,091,067	2,492,231	1,493,813
August	41,782,708	56,260,718	a 14,478,010	58,345,061	217,904,485	294,487,085	613,762	15,070,336	1,955,908
September	39,778,070	54,223,921	a 14,445,851	39,230,848	243,297,543	307,557,504	443,871	16,489,419	3,099,565
October	39,630,051	53,982,277	a 14,352,226	21,587,896	239,885,162	300,238,275	347,578	16,302,457	1,279,826
November	38,909,915	49,090,981	a 10,190,066	16,166,768	241,663,444	292,376,790	653,253	4,716,737	910,757
December	41,404,794	41,864,808	a 460,014	15,380,807	246,529,176	294,764,695	2,674,754	8,165,803	1,219,638
1899 January	41,774,930	51,122,771	a 9,347,841	16,856,385	228,652,341	274,584,676	4,237,722	5,843,107	1,755,451
February	37,979,333	43,918,929	a 5,939,596	16,577,439	231,124,638	269,103,513	3,001,905	4,841,933	567,962
March	57,030,240	42,978,571	14,051,669	14,705,478	245,413,707	284,043,164	2,343,753	2,823,934	1,107,035
April	41,611,587	65,949,106	a 24,337,519	14,317,850	246,140,226	263,127,533	1,781,270	2,145,718	1,162,484
May	44,786,014	40,513,005	4,273,009	15,169,090	228,415,238	267,584,094	2,725,378	2,637,155	2,047,155
June	47,126,915	31,382,762	15,744,153	16,191,155	240,737,212	281,380,469	2,737,952	2,751,844	20,908,177
Total for 12 months	515,960,620	605,072,180	a 89,111,560				25,652,265	84,280,674	37,507,771

a Excess of expenditures.

NOTE.—The revenues and expenditures by months are made up from partial reports, and, being subject to change by subsequent concentration of accounts, do not agree with the totals by years. The latter are the actual results, as shown by complete returns.

TABLE I.—STATEMENT OF THE NET DISBURSEMENTS (BY WARRANTS) DURING THE FISCAL YEAR ENDED JUNE 30, 1899.

CIVIL.		
Congress	$4,827,303.49	
Executive	12,061,141.12	
Judiciary	6,281,525.66	
Government in the Territories	164,634.17	
Subtreasuries	446,163.93	
Public land offices	648,744.59	
Mints and assay offices	263,036.47	
		$24,692,549.43
FOREIGN INTERCOURSE.		
Diplomatic salaries	448,677.95	
Consular salaries	704,508.38	
Contingent expenses of foreign missions	124,559.92	
Contingencies of consulates	234,302.44	
National defense	222,931.34	
Treaty obligations between the United States and Spain in 1898	20,000,000.00	
Relief, protection, and rescuing shipwrecked American seamen	24,864.45	
Survey and examination of the Nicaragua Canal	112,904.80	
International Union of American Republics	35,999.80	
Pay of consular officers for services to American vessels and seamen	24,450.49	
Emergencies arising in the diplomatic and consular service	54,967.23	
International Exposition at Paris	208,714.46	
Canadian Commission	39,223.82	
Miscellaneous trust funds	251,503.79	
Miscellaneous items	136,410.93	
		22,624,019.80
MISCELLANEOUS.		
Public printing and binding	3,926,784.14	
Building, Government Printing Office	197,028.06	
Building, Library of Congress	6,000.00	
Payment of judgments, Court of Claims	2,220,253.92	
Contingent expenses, independent treasury	153,521.32	
Mint establishment	1,225,234.45	
Assessing and collecting internal revenue	4,227,460.87	
Paper for internal-revenue stamps	51,321.35	
Redemption of internal-revenue stamps	33,164.74	
Punishing violations of internal-revenue laws	71,760.83	
Refunds, reliefs, etc., under internal-revenue laws	68,951.09	
Allowance or drawback under internal-revenue laws	27,175.99	
Collecting revenue from customs:		
For the year 1899	$7,180,495.62	
For prior years	181,067.21	
Detection and prevention of frauds upon the customs revenue	90,096.30	
		7,451,659.13
Repayment to importers excess of deposits	3,637,799.90	
Debentures and drawbacks under customs laws	3,991,200.05	
Revenue-Cutter Service	1,040,594.64	
Life-Saving Service	1,528,895.39	
Marine-Hospital Establishment	788,043.21	
Light-House Establishment	3,118,833.50	
Expenses of regulating immigration	263,079.06	
Salaries, shipping service	55,185.03	
Services to American vessels	23,297.17	
Supplies for native inhabitants of Alaska	17,930.94	
Enforcement of alien contract-labor laws	88,396.64	
Enforcement of Chinese exclusion act	89,084.51	
Revenue vessels	206,156.35	
Engraving and printing	1,612,926.18	
Coast and Geodetic Survey	659,412.43	
Steamboat Inspection Service	331,678.33	
Custom-houses, post-offices, court-houses, etc.	3,861,194.20	
Pay of assistant custodians and janitors of public buildings	999,921.37	
Fuel, lights, and water for public buildings	851,295.72	
Furniture and heating apparatus for public buildings	142,199.03	
Vaults, safes, locks and plans for public buildings	34,223.61	
Distinctive paper for United States securities	96,695.52	
Expenses of Treasury notes	137,650.05	
Transportation and recoinage of coin	375,524.36	
Preventing the spread of epidemic diseases	272,085.70	
Suppressing counterfeiting and other crimes	90,945.43	
Interstate Commerce Commission	240,799.80	
Expenses under Smithsonian Institution	134,424.54	
National Museum	235,389.45	
National Zoological Park	63,141.12	
Fish Commission, general expenses	433,211.42	
French spoliation claims	880,034.12	
Claims allowed under Bowman and Tucker acts	1,413,040.40	
National Export Exposition at Philadelphia	350,000.00	
Trans-Mississippi and International Exposition at Omaha	82,774.35	
Expenses, loan of 1898	232,529.70	
National defense, Treasury Department	145,068.09	

TABLE J.—STATEMENT OF THE NET DISBURSEMENTS (BY WARRANTS) DURING THE FISCAL YEAR ENDED JUNE 30, 1899—Continued.

District of Columbia:			
General expenses	$6,401,444.13		
Water department, payable from the water fund	204,603.52		
Special trust funds	128,991.45		
		$6,735,039.16	
Buildings and grounds in Washington under Chief Engineer		163,719.53	
Fuel, lights, etc., State, War, and Navy Department building		44,996.64	
Care, maintenance, etc., of Washington Monument		11,500.08	
Increasing water supply, Washington, D. C		162,500.67	
Support and treatment of destitute patients		19,000.08	
Prevention of deposits in New York Harbor		61,933.82	
Statue of Gen. W. T. Sherman		20,500.00	
Photolithographing for the Patent Office		85,449.28	
Official Gazette, Patent Office		108,357.40	
Surveying public lands		273,155.62	
Resurveying Chickasaw lands		21,000.00	
Protecting forest reserves		128,516.02	
Surveying forest reserves		153,420.26	
Contingent expenses of land offices		149,019.59	
Geological Survey		493,330.80	
Geological maps of the United States		59,876.43	
Surveying within land grants		27,509.26	
Protecting public lands, timber, etc		113,820.24	
Repayment for lands erroneously sold		37,738.91	
Deposits by individuals for surveying public lands		84,437.45	
Hot Springs Reservation, Arkansas		22,597.88	
Classification of certain mineral lands in Montana and Idaho		34,330.61	
Five, three, and two per cent funds to States		35,078.07	
Government Hospital for the Insane		366,109.85	
Columbia Institution for the Deaf and Dumb		59,500.00	
Howard University		33,600.00	
Garfield Hospital		19,000.00	
Expenses of the Twelfth Census		50,000.00	
Capitol building and grounds		171,401.60	
Interior Department building		6,999.85	
Colleges for agriculture and the mechanic arts		1,152,000.00	
Deficiency in the postal revenues		8,211,570.08	
Mail transportation, Pacific railroads		587,545.31	
Refunds and reliefs, Post-Office Department		54,271.13	
Department of Agriculture		2,454,314.10	
Weather Bureau		1,039,060.60	
Miscellaneous items		198,474.92	
			$71,874,686.67
INTERIOR DEPARTMENT.			
Indians		12,805,711.14	
Pensions		139,394,929.07	
			152,200,640.21
MILITARY ESTABLISHMENT.			
National Defense		8,889,291.81	
Emergency fund		3,000,000.00	
Pay Department		69,297,088.11	
Pay Department, bounty and miscellaneous		291,491.31	
Extra pay, Regular Army, war with Spain		665,000.00	
Extra pay, Volunteers, war with Spain		2,340,000.00	
Commissary Department		17,203,367.99	
Quartermaster's Department		81,591,362.59	
National cemeteries, roads, etc		191,507.19	
Medical Department		2,063,066.78	
Artificial limbs		123,217.08	
Ordnance Department		9,893,409.69	
Armories and arsenals		412,136.38	
Armament of fortifications		5,265,476.14	
Gun and mortar batteries		3,825,641.55	
Military Academy		161,771.89	
Fortifications, etc		1,215,096.04	
Improving rivers and harbors		16,082,347.63	
Contingencies of the Army		52,493.23	
Military telegraph and cable lines		174,000.00	
Signal Service of the Army		378,419.14	
Construction of military posts, roads, etc		352,919.12	
Publication of Official Records of the War of the Rebellion		99,204.37	
Support of Soldiers' Home		87,838.23	
Soldiers' Home, permanent fund and interest account		222,305.74	
State or Territorial Homes for Disabled Volunteer Soldiers		1,032,345.07	
Support of National Homes for Disabled Volunteer Soldiers		3,055,783.18	
Chickamauga and Chattanooga National Park		98,752.10	
Shiloh National Park		55,096.84	
Yellowstone National Park		45,138.17	
Gettysburg National Park		50,000.00	
Reimbursing States and Territories for expense sof raising troops, war with Spain		1,281,878.07	
Bringing home remains of officers and soldiers who die abroad		208,415.60	
Reliefs and reimbursements		114,105.71	
Miscellaneous items		21,287.72	
			229,841,254.47

TABLE J.—STATEMENT OF THE NET DISBURSEMENTS (BY WARRANTS) DURING THE FISCAL YEAR ENDED JUNE 30, 1899—Continued.

NAVAL ESTABLISHMENT.

National Defense	$6,197,701.02	
Emergency fund	3,856,263.95	
Pay, etc., of the Navy	11,410,983.70	
Pay, miscellaneous	516,050.80	
Deposit fund	144,808.62	
Contingent, Navy	7,215.53	
Marine Corps	1,830,463.57	
Naval Academy	286,170.05	
Navigation	292,372.45	
Ordnance	4,271,101.46	
Equipment	4,682,491.03	
Yards and Docks	2,449,408.54	
Medicine and Surgery	340,441.61	
Supplies and Accounts	5,703,607.97	
Construction and Repair	7,371,269.70	
Steam Engineering	3,445,043.35	
Increase of the Navy	10,277,217.89	
Navy transportation, Pacific railroads	16,016.05	
General account of advances	118,624.69	
Vessels for auxiliary naval force	373,834.97	
Relief of sufferers by destruction of the U. S. S. *Maine*	34,074.73	
Miscellaneous items and reliefs	316,942.57	
		$63,942,104.25
Interest on the public debt		39,896,925.02
Total net ordinary expenditures		605,072,179.85
Redemption of the public debt		341,149,968.98
Total expenditures		946,222,148.83
Balance in the Treasury June 30, 1899		867,980,559.46
Grand total		1,814,202,708.29

TABLE K.—STATEMENT OF RECEIPTS OF THE UNITED STATES FROM MARCH 4, 1789, JUNE 30) FROM

Year.	Balance in the Treasury at commencement of year.	Customs.	Internal revenue.	Direct tax.	Public lands.	Miscellaneous.
1791	.....	$4, 399, 473. 09	.....	.....	.....	$10, 478. 10
1792	$973, 905. 75	3, 443, 070. 85	$208, 942. 81	.....	.....	9, 918. 65
1793	783, 444. 51	4, 255, 306. 56	337, 705. 70	.....	.....	21, 410. 88
1794	753, 661. 69	4, 801, 065. 28	274, 089. 62	.....	.....	53, 277. 97
1795	1, 151, 924. 17	5, 588, 461. 26	337, 755. 36	.....	.....	28, 317. 97
1796	516, 442. 61	6, 567, 987. 94	475, 289. 60	.....	$4, 836. 13	1, 169, 415. 98
1797	888, 995. 42	7, 549, 649. 65	575, 491. 45	.....	83, 540. 60	399, 139. 29
1798	1, 021, 899. 04	7, 106, 061. 93	644, 357. 95	.....	11, 963. 11	58, 192. 81
1799	617, 451. 43	6, 610, 449. 31	779, 136. 44	.....	.....	86, 187. 56
1800	2, 161, 867. 77	9, 080, 932. 73	809, 396. 55	$734, 223. 97	443. 75	152, 712. 10
1801	2, 623, 311. 99	10, 750, 778. 93	1, 048, 033. 43	534, 343. 38	167, 726. 06	345, 649. 15
1802	3, 295, 391. 00	12, 438, 235. 74	621, 898. 89	206, 565. 44	188, 628. 02	1, 500, 505. 86
1803	5, 020, 697. 64	10, 479, 417. 61	215, 179. 69	71, 879. 20	165, 675. 69	131, 945. 44
1804	4, 825, 811. 60	11, 098, 565. 33	50, 941. 29	50, 198. 44	487, 526. 79	139, 075. 53
1805	4, 037, 005. 26	12, 936, 487. 04	21, 747. 15	21, 882. 91	540, 193. 80	40, 382. 30
1806	3, 999, 388. 99	14, 667, 698. 17	20, 101. 45	55, 763. 86	765, 245. 73	51, 121. 86
1807	4, 538, 123. 80	15, 845, 521. 61	13, 051. 40	34, 732. 56	466, 163. 27	38, 350. 42
1808	9, 643, 850. 07	16, 363, 550. 58	8, 190. 23	19, 159. 21	647, 939. 06	21, 822. 85
1809	9, 941, 809. 96	7, 257, 506. 62	4, 034. 29	7, 517. 31	442, 252. 33	62, 162. 57
1810	3, 848, 056. 78	8, 583, 309. 31	7, 430. 63	12, 448. 68	696, 548. 82	84, 476. 84
1811	2, 672, 276. 57	13, 313, 222. 73	2, 295. 95	7, 666. 66	1, 040, 237. 53	59, 211. 22
1812	3, 502, 305. 80	8, 958, 777. 53	4, 903. 06	859. 22	710, 427. 78	126, 165. 17
1813	3, 862, 217. 41	13, 224, 623. 25	4, 755. 04	3, 805. 52	835, 655. 14	271, 571. 00
1814	5, 196, 542. 00	5, 998, 772. 08	1, 662, 984. 82	2, 219, 497. 36	1, 135, 971. 09	164, 399. 81
1815	1, 727, 848. 63	7, 282, 942. 22	4, 678, 059. 07	2, 162, 673. 41	1, 287, 959. 28	285, 282. 84
1816	13, 106, 592. 88	36, 306, 874. 88	5, 124, 708. 31	4, 253, 635. 09	1, 717, 985. 03	273, 782. 35
1817	22, 033, 519. 19	26, 283, 348. 49	2, 678, 100. 77	1, 834, 187. 04	1, 991, 226. 06	109, 761. 08
1818	14, 989, 465. 48	17, 176, 385. 00	955, 270. 20	264, 333. 36	2, 606, 564. 77	57, 617. 71
1819	1, 478, 526. 74	20, 283, 698. 76	229, 593. 63	88, [illegible] 78	3, 274, 422. 78	37, 98. 42
1820	2, 079, 992. 38	15, 005, 612. 15	106, 260. 53	31, 586. 82	1, 635, 871. 61	61, 338. 44
1821	1, 198, 461. 21	13, 004, 447. 15	69, 027. 63	29, 349. 05	1, 212, 966. 46	152, 589. 43
1822	1, 681, 592. 24	17, 589, 761. 94	67, 665. 71	20, 961. 56	1, 803, 581. 54	452, 957. 19
1823	4, 237, 427. 55	19, 088, 433. 44	34, 242. 17	10, 337. 71	916, 523. 10	141, 129. 84
1824	9, 463, 922. 81	17, 878, 325. 71	34, 663. 37	6, 201. 96	984, 418. 15	127, 603. 60
1825	1, 946, 597. 13	20, 098, 713. 45	25, 771. 35	2, 330. 85	1, 216, 090. 56	130, 451. 81
1826	5, 201, 650. 43	23, 341, 331. 77	21, 589. 93	6, 638. 76	1, 393, 785. 09	94, 588. 66
1827	6, 358, 686. 18	19, 712, 283. 29	19, 885. 68	2, 626. 90	1, 495, 845. 26	1, 315, 722. 83
1828	6, 668, 286. 10	23, 205, 523. 64	17, 451. 54	2, 218. 81	1, 018, 308. 75	65, 126. 49
1829	5, 972, 435. 81	22, 681, 965. 91	14, 502. 74	11, 335. 05	1, 517, 175. 13	112, 648. 55
1830	5, 755, 704. 79	21, 922, 391. 39	12, 160. 62	16, 980. 59	2, 329, 356. 14	73, 227. 77
1831	6, 014, 539. 75	24, 224, 441. 77	6, 933. 51	10, 506. 01	3, 210, 815. 48	584, 124. 05
1832	4, 502. 914. 45	28, 465, 237. 24	11, 630. 65	6, 791. 13	2, 623, 381. 03	270, 410. 61
1833	2, 011, 777. 55	29, 032, 508. 91	2, 759. 00	394. 12	3, 967, 682. 55	470, 096. 67
1834	11, 702, 905. 31	16, 214, 957. 15	4, 196. 09	19. 80	4, 857, 600. 69	480, 812. 32
1835	8, 892, 858. 42	19, 391, 310. 59	10, 459. 48	4, 263. 33	14, 757, 600. 75	759, 972. 13
1836	26, 749, 803. 96	23, 409, 940. 53	370. 00	728. 79	24, 877, 179. 86	2, 245, 902. 23
1837	46, 708, 436. 00	11, 169, 290. 39	5, 493. 84	1, 687. 70	6, 776, 236. 52	7, 001, 444. 59
1838	37, 327, 252. 69	16, 158, 800. 36	2, 467. 27	.....	3, 730, 945. 66	6, 410, 348. 45
1839	36, 891, 196. 94	23, 137, 924. 81	2, 553. 32	755. 22	7, 361, 576. 40	979, 939. 86
1840	33, 157, 503. 68	13, 499, 502. 17	1, 682. 25	.....	3, 411, 818. 63	2, 567, 112. 28
1841	29, 963, 163. 16	14, 487, 216. 74	3, 261. 36	.....	1, 365, 627. 42	1, 004, 054. 75
1842	28, 685, 111. 08	18, 187, 908. 76	495. 00	.....	1, 335, 797. 52	451, 995. 97
1843*a*	30, 521, 979. 44	7, 046, 843. 91	103. 25	.....	898, 158. 18	285, 895. 92
1844	39, 186, 284. 74	26, 183, 570. 94	1, 777. 34	.....	2, 059, 939. 80	1, 075, 419. 70
1845	36, 742, 829. 02	27, 528, 112. 70	3, 517. 12	.....	2, 077, 022. 50	361, 453. 68
1846	36, 194, 274. 81	26, 712, 667. 87	2, 807. 26	.....	2, 694, 452. 48	289, 950. 13
1847	38, 261, 959. 65	23, 747, 864. 66	375. 00	.....	2, 498, 355. 20	220, 808. 30
1848	33, 079, 276. 43	31, 757, 070. 96	375. 00	.....	3, 328, 642. 56	612, 610. 69
1850	29, 416, 612. 45	28, 346, 738. 82	.....	.....	1, 688, 959. 55	685, 379. 13
1850	32, 827, 082. 69	39, 668, 686. 42	.....	.....	1, 859, 894. 25	2, 064, 308. 21
1851	35, 871, 753. 31	49, 017, 567. 92	.....	.....	2, 352, 305. 30	1, 185, 166. 11
1852	40, 158, 353. 25	47, 339, 326. 62	.....	.....	2, 043, 239. 58	464, 249. 40
1853	43, 338, 860. 02	58, 931, 865. 52	.....	.....	1, 667, 084. 99	988, 081. 17
1854	50, 261, 901. 09	64, 224, 190. 27	.....	.....	8, 470, 798. 39	1, 105, 352. 74
1855	48, 591, 073. 41	53, 025, 794. 21	.....	.....	11, 497, 049. 07	827, 731. 40
1856	47, 777, 079. 13	64, 022, 863. 50	.....	.....	8, 917, 644. 93	1, 116, 199. 81
1857	49, 108, 229. 80	63, 875, 905. 05	.....	.....	3, 829, 486. 64	1, 259, 920. 88
1858	46, 802, 855. 00	41, 789, 620. 96	.....	.....	3, 513, 715. 87	1, 352, 029. 13
1859	35, 113, 234. 22	49, 565, 824. 38	.....	.....	1, 756, 687. 30	1, 454, 596. 24
1860	33, 196, 248. 60	53, 187, 511. 87	.....	.....	1, 778, 557. 71	1, 088, 530. 25
1861	32, 959, 530. 78	39, 582, 125. 64	.....	.....	870, 658. 54	1, 023, 515. 31
1862	30, 963, 887. 82	49, 056, 397. 62	.....	1, 795, 331. 73	152, 203. 77	915, 327. 97
1863	16, 965, 304. 87	69, 059, 642. 40	37, 640, 787. 95	1, 485, 102. 61	167, 617. 17	3, 741 794. 38
1864	36, 523, 046. 13	102, 316, 152. 99	109, 741, 134. 10	475, 648. 96	588, 333. 29	30, 291, 701. 86
1865	134, 433, 738. 44	84, 928, 260. 60	209, 464, 215. 25	1, 200, 573. 03	996, 553. 31	25, 441, 556. 00

a For the half year from

TO JUNE 30, 1899, BY CALENDAR YEARS TO 1843 AND BY FISCAL YEARS (ENDED THAT TIME.

Year.	Dividends.	Net ordinary receipts.	Interest.	Premiums.	Receipts from loans and Treasury notes.	Gross receipts.	Unavailable.
1791		$4,409,951.19			$361,391.34	$4,771,342.53	
1792	$8,028.00	3,669,960.31			5,102,498.45	8,772,458.76	
1793	38,500.00	4,652,923.14			1,797,272.01	6,450,195.15	
1794	303,472.00	5,431,904.87			4,007,950.78	9,439,855.65	
1795	160,000.00	6,114,534.59	$4,800.00		3,396,424.00	9,515,758.59	
1796	160,000.09	8,377,529.65	42,800.00		320,000.00	8,740,329.65	
1797	80,960.00	8,688,780.99			70,000.00	8,758,780.99	
1798	79,920.00	7,900,495.80	78,675.00		200,000.00	8,179,170.80	
1799	71,040.00	7,546,813.31			5,000,000.00	12,546,813.31	
1800	71,040.00	10,848,749.10			1,565,229.24	12,413,978.34	
1801	88,800.00	12,935,330.95	10,125.00			12,945,455.95	
1802	39,960.00	14,995,793.95				14,995,793.95	
1803		11,064,097.63				11,064,097.63	
1804		11,826,307.38				11,826,307.38	
1805		13,560,693.20				13,560,693.20	
1806		15,559,931.07				15,559,931.07	
1807		16,398,019.26				16,398,019.26	
1808		17,060,661.93				17,060,661.93	
1809		7,773,473.12				7,773,473.12	
1810		9,384,214.28			2,750,000.00	12,134,214.28	
1811		14,422,634.09				14,422,634.09	
1812		9,801,132.76			12,837,900.00	22,639,032.76	
1813		14,340,409.95	300.00		26,184,135.00	40,524,844.95	
1814		11,181,625.16	85.79		23,377,826.00	34,559,536.95	
1815		15,696,916.82	11,541.74	$32,107.64	35,220,671.40	50,961,237.60	
1816		47,676,985.66	68,665.16	686.09	9,425,084.91	57,171,421.82	
1817	202,426.30	33,099,049.74	267,819.14		466,723.45	33,833,592.33	
1818	525,000.00	21,585,171.04	412.62		8,353.00	21,593,936.66	
1819	675,000.00	24,603,374.37			2,291.00	24,605,665.37	
1820	1,000,000.00	17,840,669.55		40,000.00	3,000,824.13	20,881,493.68	
1821	105,000.00	14,573,379.72			5,000,324.00	19,573,703.72	
1822	297,500.00	20,232,427.94				20,232,427.94	
1823	350,000.00	20,540,666.26				20,540,666.26	
1824	350,000.00	19,381,212.79			5,000,000.00	24,381,212.79	
1825	367,500.00	21,840,858.02			5,000,000.00	26,840,858.02	
1826	402,500.00	25,260,434.21				25,260,434.21	
1827	420,000.00	22,966,363.96				22,966,363.96	
1828	455,000.00	24,763,629.23				24,763,629.23	
1829	490,000.00	24,827,627.38				24,827,627.38	
1830	490,000.00	24,844,116.51				24,844,116.51	
1831	490,000.00	28,526,820.82				28,526,820.82	
1832	490,000.00	31,867,450.66				31,867,450.66	$1,889.50
1833	474,985.00	33,948,426.25				33,948,426.25	
1834	234,349.50	21,791,935.55				21,791,935.55	
1835	506,480.82	35,430,087.10				35,430,087.10	
1836	292,674.67	50,826,796.08				50,826,796.08	
1837		24,954,153.04			2,992,989.15	27,947,142.19	63,288.35
1838		26,302,561.74			12,716,820.86	39,019,382.60	
1839		31,482,749.61			3,857,276.21	35,340,025.82	1,458,782.93
1840		19,480,115.33			5,589,547.51	25,069,662.84	37,469.25
1841		16,860,160.27			13,659,317.38	30,519,477.65	
1842		19,976,197.25			14,808,735.64	34,784,932.89	11,188.00
1843a		8,231,001.26		71,700.83	12,479,708.36	20,782,410.45	
1844		29,320,707.78		666.60	1,877,181.35	31,198,555.73	
1845		29,970,105.80				29,970,105.80	28,251.90
1846		29,699,967.74				29,699,967.74	
1847		26,467,403.16		28,365.91	28,872,399.45	55,368,168.52	30,000.00
1848		35,628,699.21		37,080.00	21,256,700.00	56,992,479.21	
1849		30,721,077.50		487,065.48	28,588,750.00	59,796,892.98	
1850		43,592,888.88		10,550.00	4,045,950.00	47,649,388.88	
1851		52,555,039.33		4,264.92	203,400.00	52,762,704.25	
1852		49,846,815.60			46,300.00	49,893,115.60	
1853		61,587,031.68		22.50	16,350.00	61,603,404.18	103,301.37
1854		73,800,341.40			2,001.67	73,802,343.07	
1855		65,350,574.68			800.00	65,351,374.68	
1856		74,056,699.24			200.00	74,056,899.24	
1857		68,965,312.57			3,900.00	68,969,212.57	
1858		46,655,365.96			23,717,300.00	70,372,665.96	
1859		52,777,107.92		709,357.72	28,287,500.00	81,773,965.64	15,408.34
1860		56,054,599.83		10,008.00	20,776,800.00	76,841,407.83	
1861		41,476,299.49		33,630.90	41,861,709.74	83,371,640.13	
1862		51,919,261.09		68,400.00	529,692,460.50	581,680,121.59	11,110.81
1863		112,094,945.51		602,345.44	776,682,361.57	889,379,652.52	6,000.01
1864		243,412,971.20		21,174,101.01	1,128,873,945.36	1,393,461,017.57	9,210.40
1865		322,031,158.19		11,683,446.89	1,472,224,740.85	1,805,938,345.93	6,095.11

January 1 to June 30, 1843.

TABLE K.—STATEMENT OF THE RECEIPTS OF THE UNITED

Year.	Balance in the Treasury at commencement of year.	Customs.	Internal revenue.	Direct tax.	Public lands.	Miscellaneous.
1866	$33,933,657.89	$179,046,651.58	$309,226,813.42	$1,974,754.12	$665,031.03	$29,036,314.23
1867	160,817,099.73	176,417,810.88	266,027,537.43	4,200,233.70	1,163,575.76	15,037,522.15
1868	198,076,437.09	164,464,599.56	191,087,589.41	1,788,145.85	1,348,715.41	17,745,403.59
1869	158,936,082.87	180,048,426.63	158,356,460.86	765,685.61	4,020,344.34	13,997,338.65
1870	183,781,985.76	194,538,374.44	184,899,756.49	229,102.88	3,350,481.76	12,342,118.30
1871	177,604,116.51	206,270,408.05	143,098,153.63	580,355.37	2,388,646.68	22,093,541.21
1872	138,019,122.15	216,370,286.77	130,642,177.72	.....	2,575,714.19	15,106,051.23
1873	134,666,001.85	188,089,522.70	113,729,314.14	315,254.51	8,882,312.38	17,161,270.05
1874	159,293,673.41	163,103,833.69	102,409,784.90	.....	1,852,428.93	32,575,043.32
1875	178,833,339.54	157,167,722.35	110,007,493.58	.....	1,413,640.17	15,431,915.31
1876	172,804,061.32	148,071,984.61	116,700,732.03	93,798.80	1,129,466.95	24,070,602.31
1877	149,909,377.21	130,956,493.07	118,630,407.83	.....	976,253.68	30,437,487.42
1878	214,887,645.88	130,170,680.20	110,581,624.74	.....	[illegible]	15,614,728.09
1879	286,591,453.88	137,250,047.70	113,561,610.58	.....	924,781.06	20,585,697.49
1880	386,832,588.65	186,522,064.60	124,009,373.92	30.85	1,016,506.60	21,978,525.01
1881	231,940,064.44	198,159,676.02	135,264,385.51	1,516.89	2,201,863.17	25,154,850.98
1882	280,607,668.37	220,410,730.25	146,497,595.45	160,141.69	4,753,140.37	31,703,642.52
1883	275,450,903.53	214,706,496.93	144,720,368.98	108,156.60	7,955,864.42	30,796,695.02
1884	374,189,081.98	195,067,489.76	121,586,072.51	70,720,75	9,810,705.01	21,984,881.89
1885	424,941,403.07	181,471,939.34	112,498,725.54	.....	[illegible]	24,014,653.00
1886	521,791,026.26	192,905,023.44	116,805,906.48	[illegible]	[illegible]	20,989,527.85
1887	526,848,755.46	217,286,893.13	118,823,391.22	32,892.05	9,254,286.42	26,[illegible]814.84
1888	512,851,434.36	219,091,175.63	124,296,871.98	1,565.82	11,[illegible]	24,674,446.19
1889	659,449,099.94	223,832,741.69	130,881,513.92	.....	[illegible]	24,297,[illegible].44
1890	673,399,118.18	229,668,584.57	142,606,705.81	.....	[illegible]	24,447,[illegible].74
1891	691,527,403.76	219,522,205.23	145,686,249.44	.....	[illegible]	28,374,457.23
1892	726,222,332.60	177,452,964.15	153,971,072.57	.....	[illegible]	29,251,[illegible].94
1893	778,604,339.28	203,355,016.73	161,027,623.93	.....	[illegible]	18,254,898.34
1894	738,467,555.07	131,818,530.62	147,111,232.81	.....	[illegible]	17,148,[illegible].52
1895	763,565,540.75	152,158,617.45	143,421,672.02	.....	[illegible]	16,706,[illegible].48
1896	773,610,008.76	160,021,751.67	146,762,864.74	.....	[illegible]	19,186,[illegible].54
1897	846,093,349.62	176,554,126.65	146,688,574.29	.....	[illegible]	23,614,422.81
1898	864,790,237.71	149,575,062.35	170,900,641.49	.....	1,243,129.42	83,602,361.94
1899	775,751,368.11	206,128,481.75	273,437,161.51	.....	1,678,246.81	34,716,730.11
	.....	8,108,150,931.76	5,455,081,640.97	28,131,990.32	294,518,072.41	924,322,845.38

a Amount heretofore credited to the Treasurer as

STATES FROM MARCH 4, 1789, TO JUNE 30, 1899, ETC.—Continued.

Year.	Dividends.	Net ordinary receipts.	Interest.	Premiums.	Receipts from loans and Treasury notes.	Gross receipts.	Unavailable.
1866		$519,949,564.38		$38,083,055.68	$712,851,553.05	$1,270,884,173.11	$172,094.29
1867		462,846,679.92		27,787,330.35	640,426,910.29	1,131,060,920.56	721,827.93
							2,675,918.19
1868		376,434,453.82		29,203,629.50	625,111,433.20	1,030,749,516.52	
1869		357,188,256.09		13,755,491.12	238,678,081.06	609,621,828.27	a2,070.73
1870		395,959,833.87		15,295,643.76	285,474,496.00	696,729,973.63	
1871		374,431,104.94		8,892,839.95	268,768,523.47	652,092,468.36	a3,396.18
1872		364,694,229.91		9,412,637.65	305,047,054.00	679,153,921.56	a18,228.35
1873		322,177,673.78		11,560,530.89	214,931,017.00	548,669,221.67	a3,047.80
1874		299,941,090.84		5,037,665.22	439,272,535.46	744,251,291.52	12,691.40
1875		284,020,771.41		3,979,279.69	387,971,556.00	675,971,607.10	
1876		290,066,584.70		4,029,280.58	397,455,808.00	691,551,673.28	
1877		281,000,642.00		405,776.58	348,871,749.00	630,278,167.58	
1878		257,446,776.40		317,102.30	404,581,201.00	662,345,079.70	
1879		272,322,136.83		1,505,047.63	792,807,643.00	1,066,634,827.46	
1880		333,526,500.98		110.00	211,814,103.00	545,340,713.98	
1881		360,782,292.57			113,750,534.00	474,532,826.57	
1882		403,525,250.28			120,945,724.00	524,470,974.28	
1883		398,287,581.95			555,942,564.00	954,230,145.95	
1884		348,519,869.92			206,877,886.00	555,397,755.92	a1,500.00
1885		323,690,706.38			245,196,303.00	568,887,009.38	47,097.65
1886		336,439,727.06			116,314,850.00	452,754,577.06	
1887		371,403,277.66			154,440,900.00	525,844,177.66	7,997.64
1888		379,266,074.76			285,016,650.00	664,282,724.76	
1889		387,050,058.84			245,111,350.00	632,161,408.84	
1890		403,080,982.63			245,293,650.00	648,374,632.63	a731.11
1891		392,612,447.31			373,208,857.75	765,821,305.06	
1892		354,937,784.24			381,463,512.00	736,401,296.24	
1893		385,819,628.78			347,051,586.00	732,871,214.78	
1894		297,722,019.25		8,633,295.71	417,651,223.50	724,006,538.46	
1895		313,390,075.11		11,339,344.62	395,787,205.50	720,516,625.23	
1896		326,976,200.38		11,166,246.41	482,710,363.50	820,852,810.29	
1897		347,721,705.16			389,930,220.00	737,651,925.16	
1898		405,321,335.20			333,227,920.00	738,549,255.20	
1899		515,960,620.18			522,490,720.00	1,038,451,340.18	
	$9,720,136.29	14,819,925,617.13	$485,224.45	235,398,107.57	16,529,705,727.09	31,585,514,676.24	2,714,730.71

a unavailable and since recovered and charged to his account.

TABLE L.—STATEMENT OF EXPENDITURES OF THE UNITED STATES FROM MARCH 4, JUNE 30) FROM

Year.	War.	Navy.	Indians.	Pensions.	Miscellaneous.
1791	$632, 804. 03		$27, 000. 00	$175. 813. 88	$1. 083, 971. 61
1792	1, 100. 702. 09		13, 648. 85	109, 243. 15	4, 672, 664. 38
1793	1, 130, 249. 08		27, 282. 83	80, 087. 81	511, 451. 01
1794	2, 639, 097. 59	$61, 408. 97	13, 042. 46	81, 399. 24	750, 350. 74
1795	2, 480, 910. 13	410, 562. 03	23, 475. 68	68, 673. 22	1, 378, 920. 66
1796	1, 260, 263. 84	274, 784. 04	113, 563. 98	100, 843. 71	891, 847. 58
1797	1. 039, 402. 46	382, 631. 89	62, 296. 58	92, 256. 97	1, 259, 422. 62
1798	2, 009. 522. 30	1, 381. 347. 76	16. 470. 09	104, 845. 33	1, 139, 524. 94
1799	2, 466. 946. 98	2, 858, 081. 84	20, 302. 19	95. 444. 03	1, 039, 391. 68
1800	2, 560, 878. 77	3, 448, 716. 03	31. 22	64, 130. 73	1, 337, 613. 22
1801	1, 672, 944. 08	2, 111, 424. 00	9, 000. 00	73, 533. 37	1, 114, 768. 45
1802	1, 179, 148. 25	915, 561. 87	94, 000. 00	85, 440. 39	1, 462, 929. 40
1803	822, 055. 85	1. 215. 230. 53	60. 000. 00	62, 902. 10	1, 842, 635. 76
1804	875, 423. 93	1, 189, 832. 75	116. 500. 00	80. 092. 80	2. 191, 009. 43
1805	712. 781. 28	1, 597, 500. 00	196. 500. 00	81, 854. 59	3, 768, 598. 75
1806	1, 224. 355. 38	1, 649, 641. 44	234, 200. 00	81. 875. 53	2. 890. 137. 01
1807	1, 288, 685. 91	1, 722. 064. 47	205, 425. 00	70, 500. 00	1, 697, 897. 51
1808	2, 900, 834. 40	1, 884, 067. 80	213, 575. 00	82, 576. 04	1, 423, 285. 61
1809	3, 345, 772. 17	2, 427, 758. 80	337, 503. 84	87, 833. 54	1, 215, 803. 79
1810	2. 294 328. 94	1. 654, 244 20	177. 925. 00	83, 744. 16	1. 101 144. 98
1811	2, 032, 828. 19	1, 965, 566. 39	151, 875. 00	75. 043. 88	1, 367, 291. 40
1812	11. 817. 798. 24	3, 959, 365. 15	277, 845. 00	91, 402. 10	1, 683, 088. 21
1813	19, 652. 013. 02	6, 446, 600. 10	167, 358. 28	86, 989. 91	1. 729. 435. 61
1814	20, 350, 806. 86	7, 311, 290. 60	167, 394. 86	90, 164. 36	2, 208, 029. 70
1815	14, 794, 294. 22	8, 660, 000. 25	530. 750. 00	69, 656. 06	2. 898. 870. 47
1816	16. 012. 696 80	3 908 278. 20	274 012 16	188. 804. 15	2 989, 741 17
1817	8, 004. 236. 53	3, 314. 598. 49	319, 463. 71	297, 374. 43	3, 518, 936. 76
1818	5, 622. 715. 10	2, 953. 695. 00	505, 704. 27	890, 719. 90	3, 835. 839. 51
1819	6, 506. 300. 37	3, 847, 640. 42	463, 181. 39	2, 415, 939. 85	3. 067. 211. 41
1820	2, 630, 392. 31	4, 387, 990. 00	315. 750. 01	3, 208, 376. 31	2, 592, 021. 94
1821	4, 461, 291. 78	3. 319, 243. 06	477, 005. 44	242, 817. 25	2. 223, 121. 54
1822	3, 111, 981. 48	2. 224, 458. 98	575, 007. 41	1, 948. 199. 40	1, 967. 996. 24
1823	3, 096, 924. 43	2, 503, 765. 83	380, 781. 82	1, 780. 588. 52	2. 022, 093. 99
1824	3, 340, 939. 85	2, 904, 581. 56	429. 987. 90	1. 499. 326. 59	7, 155, 308. 81
1825	3, 659, 914. 18	3, 049, 083. 86	724, 106. 44	1, 308. 810. 57	2, 748. 544. 89
1826	3, 943, 194. 37	4, 218, 902. 45	743, 447. 83	1, 556. 593. 83	2, 600, 177. 70
1827	3, 948, 977. 88	4, 263, 877. 45	750. 624. 88	976. 138. 86	2. 713, 476. 58
1828	4, 145. 544 56	3, 918, 786. 44	705, 084. 24	850. 573. 57	3, 676, 052. 64
1829	4, 724, 291. 07	3, 308, 745. 47	576, 344. 74	949. 594. 47	3, 082. 234. 65
1830	4, 767, 128. 88	3, 239, 428. 63	622, 262. 47	1, 363, 297. 31	3, 237. 416. 04
1831	4, 841, 835. 55	3, 856, 183. 07	930, 738. 04	1. 170, 665. 14	3, 064, 646. 10
1832	5, 446, 034. 88	3, 956, 370. 29	1, 352. 419. 75	1, 184, 422. 40	4, 577, 141. 45
1833	6, 704, 019. 10	3, 901, 356. 75	1, 802, 980. 93	4. 589, 152. 40	5, 716, 245. 93
1834	5, 696, 189. 38	3, 956, 260. 42	1, 003, 953. 20	3, 364, 285. 30	4, 404, 728. 95
1835	5, 759, 156. 89	3, 864, 939. 06	1, 706, 444. 48	1, 954, 711. 32	4. 229, 698. 53
1836	11, 747, 345. 25	5, 807, 718. 23	5, 037, 022. 88	2. 882. 797. 96	5. 393, 279. 72
1837	13, 682, 730. 80	6, 646, 914. 53	4, 348, 036. 10	2, 672. 162. 45	9, 893, 370. 27
1838	12, 897. 224. 16	6, 131, 580. 53	5. 504, 191. 34	2. 156, 057. 29	7, 160, 664. 76
1839	8, 916, 995. 80	6, 182, 294. 25	2, 528, 917. 28	3, 142, 750. 51	5, 725, 990. 89,
1840	7, 095, 267. 23	6, 113, 896. 89	2, 331, 794. 86	2. 603, 562. 17	5, 995, 398. 96
1841	8, 801, 610. 24	6, 001, 076. 97	2, 514, 837. 12	2, 388, 434. 51	6, 490, 881. 45
1842	6, 610, 438. 02	8, 397, 242. 95	1, 199. 099. 68	1, 378, 931. 33	6, 775, 624. 61
1843 a	2, 908, 671. 95	3, 727, 711. 53	578, 371. 00	839, 041. 12	3, 202, 713. 00
1844	5, 218, 183. 66	6, 498, 109. 11	1, 256, 532. 39	2, 032, 008. 99	5, 645, 183. 86
1845	5, 746, 291. 28	6, 297, 177. 89	1, 539, 351. 35	2, 400, 788. 11	5, 911, 760. 98
1846	10, 413, 370. 58	6. 455, 013. 92	1, 027, 693. 64	1. 811, 097. 56	6, 711, 283. 89
1847	35, 840, 030. 33	7, 900, 635. 76	1, 430, 411. 30	1, 744, 883. 63	6, 885, 608. 35
1848	27, 688, 334. 21	9, 408, 476. 02	1, 252, 296. 81	1, 227, 496. 48	5, 650, 851. 25
1849	14, 558, 473. 26	9, 786, 705. 92	1, 374, 161. 55	1, 328. 867. 64	12, 885, 334. 24
1850	9, 687. 024. 58	7, 904, 724. 66	1, 663, 591. 47	1, 866, 886. 02	16, 043. 763. 36
1851	12, 161, 965. 11	8, 880. 581. 38	2, 829, 801. 77	2, 293, 377. 22	17, 888, 992. 18
1852	8, 521, 506. 19	8, 918, 842. 10	3, 043, 576. 04	2, 401, 858. 78	17, 504, 171. 45
1853	9, 910, 498. 49	11, 067, 789. 53	3, 880, 494. 12	1, 756, 306. 20	17, 463, 068. 01
1854	11, 722, 282. 87	10, 790, 096. 32	1, 550, 339. 55	1, 232, 665. 00	26, 672, 144. 68
1855	14, 648, 074. 07	13, 327, 095. 11	2, 772, 990. 78	1, 477, 612. 33	24, 090, 425. 42
1856	16, 963, 160. 51	14, 074, 834. 64	2, 644, 263. 97	1, 296, 229. 65	31, 794, 038. 87
1857	19, 159, 150. 87	12, 651, 694. 61	4, 354, 418. 87	1, 310, 380. 58	28, 565, 498. 77
1858	25, 679, 121. 63	14, 053, 264. 64	4, 978, 266. 18	1, 219, 768. 30	26, 400, 016. 42
1859	23, 154. 720. 53	14, 090, 927. 90	3, 490, 534. 53	1, 222, 222. 71	23, 797, 544. 40
1860	16, 472, 202. 72	11, 514, 649. 83	2, 991, 121. 54	1, 100, 802. 32	27, 977, 978. 30
1861	23 001, 530 07	12, 387, 156. 52	2, 865, 481. 17	1, 034, 599. 73	23, 327, 287. 69
1862	389 175, 562 29	42 640, 353 09	2. 327. 948. 37	852. 170. 47	21, 385, 862. 59
1863	603, 314, 411. 82	63, 261, 235. 31	3, 152, 032. 70	1, 078. 513. 36	23, 198, 382. 37
1864	690, 391, 048. 66	85, 704, 963. 74	2, 629, 975. 97	4, 985, 473. 90	27, 572, 216. 87

a For the half year from

1789, TO JUNE 30, 1899, BY CALENDAR YEARS TO 1843 AND BY FISCAL YEARS (ENDED THAT TIME.

Year.	Net ordinary expenditures.	Premiums.	Interest.	Public debt.	Gross expenditures.	Balance in Treasury at the end of the year.
1791	$1,919,589.52		$1,177,863.03	$699,984.23	$3,797,436.78	$973,905.75
1792	5,896,258.47		2,373,611.28	693,050.25	8,962,920.00	783,444.51
1793	1,749,070.73		2,097,859.17	2,633,048.07	6,479,977.97	753,661.69
1794	3,545,299.00		2,752,523.04	2,743,771.13	9,041,593.17	1,151,924.17
1795	4,362,541.72		2,947,059.06	2,841,639.37	10,151,240.15	516,442.61
1796	2,551,303.15		3,239,347.68	2,577,126.01	8,367,776.84	888,995.42
1797	2,836,110.52		3,172,516.73	2,617,250.12	8,625,877.37	1,021,899.04
1798	4,651,710.42		2,955,875.90	976,032.09	8,583,618.41	617,451.43
1799	6,480,166.72		2,815,651.41	1,706,578.84	11,002,396.97	2,161,867.77
1800	7,411,369.97		3,402,601.04	1,138,563.11	11,952,534.12	2,623,311.99
1801	4,981,669.90		4,411,830.06	2,879,876.08	12,273,376.94	3,295,391.00
1802	3,737,079.91		4,239,172.16	5,294,235.24	13,270,487.31	5,020,697.64
1803	4,002,824.24		3,949,462.36	3,306,697.07	11,258,983.67	4,825,811.60
1804	4,452,858.91		4,185,048.74	3,977,206.07	12,615,113.72	4,037,005.26
1805	6,357,234.62		2,657,114.22	4,583,960.63	13,598,309.47	3,999,388.99
1806	6,080,209.36		3,368,968.26	5,572,018.64	15,021,196.26	4,538,123.80
1807	4,984,572.89		3,369,578.48	2,938,141.62	11,292,292.99	9,643,850.07
1808	6,504,338.85		2,557,074.23	7,701,288.96	16,762,702.04	9,941,809.96
1809	7,414,672.14		2,866,074.90	3,586,479.26	13,867,226.30	3,848,056.78
1810	5,311,082.28		3,163,671.09	4,835,241.12	13,309,994.49	2,672,276.57
1811	5,592,604.86		2,585,435.57	5,414,564.43	13,592,604.86	3,502,305.80
1812	17,829,498.70		2,451,272.57	1,998,349.88	22,279,121.15	3,862,217.41
1813	28,082,396.92		3,599,455.22	7,508,668.22	39,190,520.36	5,196,542.00
1814	30,127,686.38		4,593,239.04	3,307,304.90	38,028,230.32	1,727,848.63
1815	26,953,571.00		5,990,090.24	6,638,832.11	39,582,493.35	13,106,592.88
1816	23,373,432.58		7,822,923.34	17,048,139.59	48,244,495.51	22,033,519.19
1817	15,454,609.92		4,536,282.55	20,886,753.57	40,877,646.04	14,989,465.48
1818	13,808,673.78		6,209,954.03	15,086,247.59	35,104,875.40	1,478,526.74
1819	16,300,273.44		5,211,730.56	2,492,195.73	24,004,199.73	2,079,992.38
1820	13,134,530.57		5,151,004.32	3,477,489.96	21,763,024.85	1,198,461.21
1821	10,723,479.07		5,126,073.79	3,241,019.83	19,090,572.69	1,681,592.24
1822	9,827,643.51		5,172,788.79	2,676,160.33	17,676,592.63	4,237,427.55
1823	9,784,154.59		4,922,475.40	607,541.01	15,314,171.00	9,463,922.81
1824	15,330,144.71		4,943,557.93	11,624,835.83	31,898,538.47	1,946,597.13
1825	11,490,459.94		4,366,757.40	7,728,587.38	23,585,804.72	5,201,650.43
1826	13,062,316.27		3,975,542.95	7,065,539.24	24,103,398.46	6,358,686.18
1827	12,653,095.65		3,486,071.51	6,517,596.88	22,656,764.04	6,668,286.10
1828	13,296,041.45		3,098,800.60	9,064,637.47	25,459,479.52	5,972,435.81
1829	12,641,210.40		2,542,843.23	9,860,304.77	25,044,358.40	5,755,704.79
1830	13,229,533.33		1,912,574.93	9,443,173.29	24,585,281.55	6,014,539.75
1831	13,864,067.90		1,373,748.74	14,800,629.48	30,038,446.12	4,502,914.45
1832	16,516,388.77		772,561.50	17,067,747.79	34,356,698.06	2,011,777.55
1833	22,713,755.11		303,796.87	1,239,746.51	24,257,298.49	11,702,905.31
1834	18,425,417.25		202,152.98	5,974,412.21	24,601,982.44	8,892,858.42
1835	17,514,950.28		57,863.08	328.20	17,573,141.56	26,749,803.96
1836	30,868,164.04				30,868,164.04	46,708,436.00
1837	37,243,214.24			21,822.91	37,265,037.15	37,327,252.69
1838	33,849,718.08		14,996.48	5,590,723.79	39,455,438.35	36,891,196.94
1839	26,496,948.73		399,833.89	10,718,153.53	37,614,936.15	33,157,503.68
1840	24,139,920.11		174,598.08	3,912,015.62	28,226,533.81	29,963,163.46
1841	26,196,840.29		284,977.55	5,315,712.19	31,797,530.03	28,685,111.08
1842	24,361,336.59		773,549.85	7,801,990.09	32,936,876.53	30,521,979.44
1843*a*	11,256,508.60		523,583.91	338,012.64	12,118,105.15	39,186,284.74
1844	20,650,108.01		1,833,452.13	11,158,450.71	33,642,010.85	36,742,829.62
1845	21,895,369.61	$18,231.43	1,040,458.18	7,536,349.49	30,490,408.71	36,194,274.81
1846	26,418,459.59		842,723.27	371,100.04	27,632,282.90	38,261,959.65
1847	53,801,569.37		1,119,214.72	5,600,067.65	60,520,851.74	33,079,276.43
1848	45,227,454.77		2,390,765.88	13,036,922.54	60,655,143.19	29,416,612.45
1849	39,933,542.61	82,865.81	3,565,535.78	12,804,478.54	56,386,422.74	32,827,082.69
1850	37,165,990.09		3,782,393.03	3,656,335.14	44,604,718.26	35,871,753.31
1851	44,054,717.66	69,713.19	3,696,760.75	654,912.71	48,476,104.31	40,158,353.25
1852	40,389,954.56	170,063.42	4,000,297.80	2,152,293.05	46,712,608.83	43,338,860.02
1853	44,078,156.35	420,498.64	3,665,832.74	6,412,574.01	54,577,061.74	50,261,901.09
1854	51,967,528.42	2,877,818.69	3,070,926.69	17,536,896.95	75,473,170.75	48,591,073.41
1855	56,316,197.72	872,047.39	2,314,464.99	6,662,065.86	66,164,775.96	47,777,672.13
1856	66,772,527.64	385,372.90	1,953,822.37	3,614,618.66	72,726,341.57	49,108,229.80
1857	66,041,143.70	363,572.39	1,593,265.23	3,276,606.05	71,274,587.37	46,802,855.00
1858	72,330,437.17	574,443.08	1,652,055.67	7,505,250.82	82,062,186.74	35,113,334.22
1859	66,355,950.07		2,637,649.70	14,685,043.15	83,678,642.92	33,193,248.60
1860	60,056,754.71		3,144,120.94	13,854,250.00	77,055,125.65	32,979,530.78
1861	62,616,055.78		4,034,157.30	18,737,100.00	85,387,313.08	30,963,857.83
1862	456,379,896.81		13,190,344.84	96,097,322.09	565,667,563.74	46,965,304.87
1863	694,004,575.56		24,729,700.62	181,081,635.07	899,815,911.25	36,523,046.13
1864	811,283,679.14		53,685,421.69	430,572,014.03	1,295,541,114.86	134,433,738.44

a January 1 to June 30, 1843.

TABLE L.—STATEMENT OF THE EXPENDITURES OF THE UNITED

Year.	War.	Navy.	Indians.	Pensions.	Miscellaneous.
1865	$1,030,690,400.06	$122,617,434.07	$5,059,360.71	$16,347,621.34	$42,989,383.10
1866	283,154,676.06	43,285,662.00	3,295,729.32	15,605,549.88	40,613,114.17
	3,568,638,312.28	717,551,816.39	103,369,211.42	119,607,656.01	643,604,554.33
	a 3,621,780.07	*a* 77,992.17	*a* 53,286.61	*a* 9,737.87	*a* 718,769.52
	572,260,092.35	717,629,808.56	103,422,498.03	119,617,393.88	644,323,323.85
1867	95,224,415.63	31,034,011.04	4,642,531.77	20,936,551.71	51,110,223.72
1868	123,246,648.62	25,775,502.72	4,100,682.32	23,782,386.78	53,009,867.67
1869	78,501,990.61	20,009,757.97	7,042,923.06	28,476,621.78	56,474,061.53
1870	57,655,675.40	21,780,229.87	3,407,938.15	28,340,202.17	53,237,461.56
1871	35,799,991.82	19,431,027.21	7,426,997.44	34,443,894.88	60,481,916.23
1872	35,372,157.20	21,249,809.99	7,061,728.82	28,533,402.76	69,984,757.42
1873	46,323,138.31	23,526,256.79	7,951,704.88	29,359,426.86	73,328,110.06
1874	42,313,927.22	30,932,587.42	6,692,462.09	29,038,414.66	85,141,593.61
1875	41,120,645.98	21,497,626.27	8,384,656.82	29,456,216.22	71,070,702.98
1876	38,070,888.64	18,963,309.82	5,966,558.17	28,257,395.69	73,599,661.04
1877	37,082,735.90	14,959,935.36	5,277,007.22	27,963,752.27	58,926,532.53
1878	32,154,147.85	17,365,301.37	4,629,280.28	27,137,019.08	58,177,703.57
1879	40,425,660.73	15,125,126.84	5,206,109.08	35,121,482.39	63,741,555.49
1880	38,116,916.22	13,536,984.74	5,945,457.09	56,777,174.44	54,713,529.76
1881	40,466,460.55	15,686,671.66	6,514,161.09	50,059,279.62	64,416,324.71
1882	43,570,494.19	15,032,046.26	9,736,747.40	61,345,193.95	57,219,750.98
1883	48,911,382.93	15,283,437.17	7,362,590.34	66,012,573.64	68,678,022.21
1884	39,429,603.36	17,292,601.44	6,475,999.29	55,429,228.06	70,920,433.70
1885	42,670,578.47	16,021,079.67	6,552,494.63	56,102,267.49	87,494,258.38
1886	34,324,152.74	13,907,887.74	6,099,158.17	63,404,864.03	74,166,929.85
1887	38,561,025.85	15,141,126.80	6,194,522.69	75,029,101.79	85,264,825.59
1888	38,522,436.11	16,926,437.65	6,249,307.87	80,288,508.77	72,952,260.80
1889	44,435,270.85	21,378,809.31	6,892,207.78	87,624,779.11	80,664,064.26
1890	44,582,838.08	22,006,206.24	6,708,046.67	106,936,855.07	81,403,256.49
1891	48,720,065.01	26,113,896.46	8,527,469.01	124,415,951.40	110,048,167.49
1892	46,895,456.30	29,174,138.98	11,150,577.67	134,583,052.79	99,841,988.61
1893	49,641,773.47	30,136,084.43	13,345,347.27	159,357,557.87	103,732,799.27
1894	54,567,929.85	31,701,293.79	10,293,481.52	141,177,284.96	101,943,884.07
1895	51,804,759.13	28,797,795.73	9,939,754.21	141,395,228.87	93,279,730.14
1896	50,830,920.89	27,147,732.38	12,165,528.28	139,434,000.98	87,216,234.62
1897	48,950,267.89	34,561,546.29	13,016,802.46	141,053,164.63	90,401,267.82
1898	91,992,000.29	58,823,984.80	10,994,667.70	147,452,368.61	96,520,505.17
1899	229,841,254.47	63,942,104.25	12,805,711.14	139,394,929.07	119,191,255.90
Total	5,402,387,702.91	1,511,883,157.02	358,183,110.41	2,517,737,526.28	3,160,676,961.08

a Outstanding

NOTE.—This statement is made from warrants *paid* by the Treasurer up to June 30, 1866. The

STATES FROM MARCH 4, 1789, TO JUNE 30, 1899, ETC.—Continued.

Year.	Net ordinary expenditures.	Premiums.	Interest.	Public debt.	Gross expenditures.	Balance in Treasury at the end of the year.
1865	$1,217,704,199.28	$1,717,900.11	$77,395,090.30	$609,616,141.68	$1,906,433,331.37	$33,933,657.89
1866	385,954,731.43	58,476.51	133,067,624.91	620,263,249.10	1,139,344,081.95	165,301,654.76
	5,152,771,550.43	7,611,003.56	502,689,519.27	2,374,677,103.12	8,037,749,176.38	.....
	a 4,481,566.24	.....	*a* 2,888.48	*a* 100.31	*a* 54,484,555.03	*a* 4,484,555.03
	5,157,253,116.67	7,611,063.56	502,692,407.75	2,374,677,203.43	8,042,233,731.41	160,817,099.73
1867	202,947,733.87	10,813,349.38	143,781,591.91	735,536,980.11	1,093,079,655.27	198,076,537.09
1868	229,915,088.11	7,001,151.04	140,424,045.71	692,549,685.88	1,069,889,970.74	158,936,082.87
1869	190,496,354.95	1,674,680.05	130,694,242.80	261,912,718.31	584,777,996.11	183,781,985.76
1870	164,421,507.15	15,996,555.60	129,235,498.00	393,254,282.13	702,907,842.88	177,604,116.51
1871	157,583,827.58	9,016,794.74	125,576,565.93	399,503,670.65	691,680,858.90	138,019,122.15
1872	153,201,856.19	6,958,266.76	117,357,839.72	405,007,307.54	682,525,270.21	134,666,001.85
1873	180,488,636.90	5,105,919.99	104,750,688.44	233,699,352.58	524,044,597.91	159,293,673.41
1874	194,118,985.00	1,395,073.55	107,119,815.21	422,065,060.23	724,698,933.99	178,833,339.54
1875	171,529,848.27	.....	103,093,544.57	407,377,492.48	682,000,885.32	172,804,061.32
1876	164,857,813.36	.....	100,243,271.23	449,345,272.80	714,446,357.39	149,909,377.21
1877	144,209,963.28	.....	97,124,511.58	323,965,424.05	565,299,898.91	214,887,645.88
1878	134,463,452.15	.....	102,500,874.65	353,676,944.90	590,641,271.70	286,591,453.88
1879	161,619,934.53	.....	105,327,949.00	699,445,809.16	966,393,692.69	386,832,588.65
1880	169,090,062.25	2,795,320.42	95,757,575.11	432,590,280.41	700,233,238.19	231,940,064.44
1881	177,142,897.63	1,001,248.78	82,508,741.18	165,152,335.05	425,865,222.64	280,607,668.37
1882	186,904,232.78	.....	71,077,206.79	271,646,299.55	529,627,739.12	275,450,903.53
1883	206,248,006.29	.....	59,160,131.25	590,083,829.96	855,491,967.50	374,189,081.98
1884	189,547,865.85	.....	54,578,378.48	260,520,690.50	504,646,934.83	424,941,403.07
1885	208,840,678.64	.....	51,386,256.47	211,760,353.43	471,987,288.54	521,794,026.26
1886	191,902,992.53	.....	50,580,145.97	205,216,709.36	447,699,847.86	526,848,755.46
1887	220,190,602.72	.....	47,741,577.25	271,901,321.15	539,833,501.12	512,851,434.36
1888	214,938,951.20	8,270,812.46	44,715,007.47	249,760,258.05	517,685,059.18	659,449,099.94
1889	240,995,131.31	17,292,362.65	41,001,484.29	318,922,412.35	618,211,390.60	673,399,118.18
1890	261,637,202.55	20,304,224.06	36,099,284.05	312,206,367.50	630,247,078.16	691,527,403.76
1891	317,825,549.37	10,401,220.61	37,547,135.37	365,352,470.87	731,126,376.22	726,222,332.60
1892	321,645,214.35	.....	23,378,116.23	338,995,958.98	684,019,289.56	778,604,339.28
1893	356,213,562.31	.....	27,264,392.18	389,530,044.50	773,007,998.99	738,467,555.07
1894	339,683,874.19	.....	27,841,405.64	331,383,272.95	698,908,552.78	763,565,540.75
1895	325,217,268.08	.....	30,978,030.21	354,276,858.93	710,472,157.22	773,610,008.76
1896	316,794,417.15	.....	35,385,028.93	396,190,023.35	748,369,469.43	846,093,349.62
1897	327,983,049.09	.....	37,791,110.48	353,180,877.50	718,955,037.07	864,790,237.71
1898	405,783,526.57	.....	37,585,056.23	384,219,542.00	827,588,124.80	775,751,368.11
1899	565,175,254.83	.....	39,896,925.02	341,149,968.98	946,222,148.83	867,980,559.46
	12,950,868,457.70	125,698,013.65	2,942,195,835.10	14,696,057,079.62	30,714,819,386.07	.....

warrants.

outstanding warrants are then added, and the statement is by warrants *issued* from that date.

TABLE M.—STATEMENT SHOWING THE AMOUNTS OF MONEY IN THE UNITED STATES, IN THE TREASURY AND IN CIRCULATION, ON THE DATES SPECIFIED.

JULY 1, 1860.

[Population, 31,443,321; circulation per capita, $13.85.]

	General stock coined or issued.	In Treasury.	Amount in circulation.
Specie	$235,000,000	$6,695,225	$228,304,775
State-bank notes	207,102,477		207,102,477
	442,102,477	6,695,225	435,407,252

JULY 1, 1861.

[Population, 32,064,000; circulation per capita, $13.98.]

Specie	$250,000,000	$3,600,000	$246,400,000
State-bank notes	202,005,767		202,005,767
	452,005,767	3,600,000	448,405,767

JULY 1, 1862.

[Population, 32,704,000; circulation per capita, $10.23.]

State-bank notes	$183,792,079		$183,792,079
United States notes	96,620,000	$23,754,335	72,865,665
Demand notes	53,040,000		53,040,000
	333,452,079	23,754,335	309,697,744
Add: Specie in circulation on the Pacific coast			25,000,000
			334,697,744

JULY 1, 1863.

[Population, 33,365,000; circulation per capita, $17.84.]

Fractional currency	$20,192,456	$4,308,074	$15,884,382
State-bank notes	238,677,218		238,677,218
United States notes	387,646,589	75,165,171	312,481,418
Demand notes	3,351,020		3,351,020
	649,867,283	79,473,245	570,394,038
Add. Specie in circulation on the Pacific coast			25,000,000
			595,394,038

JULY 1, 1864.

[Population, 34,046,000; circulation per capita, $19.67.]

Fractional currency	$22,894,877	$3,762,376	$19,132,501
State-bank notes	179,157,717		179,157,717
United States notes	447,300,203	32,184,213	415,115,990
National-bank notes	31,235,270		31,235,270
	680,588,067	35,946,589	644,641,478
Add. Specie in circulation on the Pacific coast			25,000,000
			669,641,478

TABLE M.—STATEMENT SHOWING THE AMOUNTS OF MONEY IN THE UNITED STATES, IN THE TREASURY AND IN CIRCULATION, ON THE DATES SPECIFIED—Continued.

JULY 1, 1865.

[Population, 34,748,000; circulation per capita, $20.57.]

	General stock coined or issued.	In Treasury.	Amount in circulation.
Fractional currency	$25,005,829	$3,277,074	$21,728,755
State-bank notes	142,919,638		142,919,638
United States notes	431,066,428	52,149,686	378,916,742
National-bank notes	146,137,860		146,137,860
	745,129,755	55,426,760	689,702,995
Add: Specie in circulation on the Pacific coast			25,000,000
			714,702,995

JULY 1, 1866.

[Population, 35,469,000; circulation per capita, $18.99.]

State-bank notes	$19,996,163		$19,996,163
Fractional currency	27,070,877	$2,383,814	24,687,063
United States notes	400,780,306	72,988,001	327,792,305
National-bank notes	281,479,908	5,467,195	276,012,713
	729,327,254	80,839,010	648,488,244
Add: Specie in circulation on the Pacific coast			25,000,000
			673,488,244

JULY 1, 1867.

[Population, 36,211,000; circulation per capita, $18.28.]

State-bank notes	$4,484,112		$4,484,112
Fractional currency	28,307,524	$2,001,230	26,306,294
United States notes	371,783,597	52,345,895	319,437,702
National-bank notes	298,625,379	11,861,416	286,763,961
	703,200,612	66,208,543	636,992,069
Add: Specie in circulation on the Pacific coast			25,000,000
			661,992,069

JULY 1, 1868.

[Population, 36,973,000; circulation per capita, $18.39.]

State-bank notes	$3,163,771		$3,163,771
Fractional currency	32,626,952	$3,627,600	28,999,352
United States notes	356,000,000	27,428,335	328,571,665
National-bank notes	299,762,855	5,393,982	294,368,873
	691,553,578	36,449,917	655,103,661
Add: Specie in circulation on the Pacific coast			25,000,000
			680,103,661

JULY 1, 1869.

[Population, 37,756,000; circulation per capita, $17.60.]

State-bank notes	$2,558,874		$2,558,874
Fractional currency	32,114,637	$1,672,398	30,442,239
United States notes	355,935,194	41,233,100	314,702,094
National-bank notes	299,742,475	7,992,791	291,749,684
	690,351,180	50,898,289	639,452,891
Add: Specie in circulation on the Pacific coast			25,000,000
			664,452,891

TABLE M.—STATEMENT SHOWING THE AMOUNTS OF MONEY IN THE UNITED STATES, IN THE TREASURY AND IN CIRCULATION, ON THE DATES SPECIFIED—Continued.

JULY 1, 1870.

[Population, 38,558,371; circulation per capita, $17.50.]

	General stock coined or issued.	In Treasury.	Amount in circulation.
State-bank notes	$2,222,793		$2,222,793
Fractional currency	39,878,684	$5,499,402	34,379,282
United States notes	356,000,000	31,037,362	324,962,638
National-bank notes	299,766,984	11,118,903	288,648,081
	697,868,461	47,655,667	650,212,794
Add: Specie in circulation on the Pacific coast			25,000,000
			675,212,794

JULY 1, 1871.

[Population, 39,555,000; circulation per capita, $18.10.]

State-bank notes	$1,968,058		$1,968,058
Fractional currency	40,582,875	$6,136,570	34,446,305
United States notes	356,000,000	12,931,030	343,068,970
National-bank notes	318,261,241	6,855,569	311,405,672
	716,812,174	25,923,169	690,889,005
Add: Specie in circulation on the Pacific coast			25,000,000
			715,889,005

JULY 1, 1872.

[Population, 40,596,000; circulation per capita, $18.19.]

State-bank notes	$1,700,935		$1,700,935
Fractional currency	40,855,835	$4,452,906	36,402,929
United States notes	357,500,000	11,331,320	346,168,680
National-bank notes	337,664,795	8,627,790	329,037,005
	737,721,565	24,412,016	713,309,549
Add: Specie in circulation on the Pacific coast			25,000,000
			738,309,549

JULY 1, 1873.

[Population, 41,677,000; circulation per capita, $18.04.]

State-bank notes	$1,379,184		$1,379,184
Fractional currency	44,799,365	$6,723,360	38,076,005
United States notes	356,000,000	7,535,855	348,464,145
National-bank notes	347,267,061	8,304,586	338,962,475
	749,445,610	22,563,801	726,881,809
Add: Specie in circulation on the Pacific coast			25,000,000
			751,881,809

JULY 1, 1874.

[Population, 42,796,000; circulation per capita, $18.13.]

State-bank notes	$1,162,453		$1,162,453
Fractional currency	45,881,296	$7,647,714	38,233,582
United States notes	382,000,000	10,578,548	371,421,452
National-bank notes	351,981,032	11,715,488	340,265,544
	781,024,781	29,941,750	751,083,031
Add: Specie in circulation on the Pacific coast			25,000,000
			776,083,031

TABLE M.—STATEMENT SHOWING THE AMOUNTS OF MONEY IN THE UNITED STATES, IN THE TREASURY AND IN CIRCULATION, ON THE DATES SPECIFIED—Continued.

JULY 1, 1875.

[Population, 43,951,000; circulation per capita, $17.16.]

	General stock coined or issued.	In Treasury.	Amount in circulation.
State-bank notes	$964,497		$964,497
Fractional currency	42,129,424	$4,224,854	37,904,570
United States notes	375,771,580	26,085,245	349,686,335
National-bank notes	354,408,008	13,861,463	340,546,545
	773,273,509	44,171,562	729,101,947
Add: Specie in circulation on the Pacific coast			25,000,000
			754,101,947

JULY 1, 1876.

[Population, 45,137,000; circulation per capita, $16.12.]

State-bank notes	$1,047,335		$1,047,335
Subsidiary silver	27,418,734	$6,363,606	21,055,128
Fractional currency	34,446,595	1,507,750	32,938,845
United States notes	369,772,284	38,324,906	331,447,378
National-bank notes	332,998,336	16,877,634	316,120,702
	765,683,284	63,073,896	702,609,388
Add: Specie in circulation on the Pacific coast			25,000,000
			727,609,388

The amount of subsidiary silver in circulation, according to the records of the Department, was $26,055,128, but for the sake of uniformity $5,000,000 of this amount is deducted and stated as a part of the specie in circulation on the Pacific coast, as heretofore.

JULY 1, 1877.

[Population, 46,353,000; circulation per capita, $15.58.]

Subsidiary silver	$40,837,506	$2,952,653	$37,884,853
Fractional currency	20,403,137	161,476	20,241,661
United States notes	359,764,332	21,864,988	337,899,344
National-bank notes	317,048,872	15,759,847	301,289,025
	738,053,847	40,738,964	697,314,883
Add: Specie in circulation on the Pacific coast			25,000,000
			722,314,883

JULY 1, 1878.

[Population, 47,598,000; circulation per capita, $15.32.]

Standard silver dollars, including bullion in Treasury	$16,269,079	$15,059,828	$1,209,251
Subsidiary silver	60,778,828	6,860,506	53,918,322
Silver certificates	1,462,600	1,455,520	7,080
Fractional currency	16,547,769	180,044	16,367,725
United States notes	346,681,016	25,775,121	320,905,895
National-bank notes	324,514,284	12,789,923	311,724,361
	766,253,576	62,120,942	704,132,634
Add: Specie in circulation on the Pacific coast			25,000,000
			729,132,634

TABLE M.—STATEMENT SHOWING THE AMOUNTS OF MONEY IN THE UNITED STATES, IN THE TREASURY AND IN CIRCULATION, ON THE DATES SPECIFIED—Continued.

JULY 1, 1879.

[Population, 48,866,000; circulation per capita, $16.75.]

	General stock coined or issued.	In Treasury.	Amount in circulation.
Gold coin, including bullion in Treasury	$245,741,837	$135,236,475	$110,505,362
Standard silver dollars, including bullion in Treasury	41,276,356	33,239,917	8,036,439
Subsidiary silver	70,249,985	8,903,401	61,346,584
Gold certificates	15,413,700	133,880	15,279,820
Silver certificates	2,466,950	2,052,470	414,480
United States notes	346,681,016	45,036,904	301,644,112
National-bank notes	329,691,697	8,286,701	321,404,996
	1,051,521,541	232,889,748	818,631,793

JULY 1, 1880.

[Population, 50,155,783; circulation per capita, $19.41.]

Gold coin, including bullion in Treasury	$351,841,206	$126,145,427	$225,695,779
Standard silver dollars, including bullion in Treasury	69,660,408	49,549,851	20,110,557
Subsidiary silver	72,862,270	24,350,482	48,511,788
Gold certificates	8,004,600	40,700	7,963,900
Silver certificates	12,374,270	6,584,701	5,789,569
United States notes	346,681,016	18,785,559	327,895,457
National-bank notes	344,505,427	7,090,249	337,415,178
	1,205,929,197	232,546,969	973,382,228

JULY 1, 1881.

[Population, 51,316,000; circulation per capita, $21.71.]

Gold coin, including bullion in Treasury	$478,484,538	$163,171,661	$315,312,877
Standard silver dollars, including bullion in Treasury	[illegible]	[illegible]	29,342,412
Subsidiary silver	74,087,061	27,247,697	46,839,364
Gold certificates	5,782,920	23,400	5,759,520
Silver certificates	51,166,530	12,055,801	39,110,729
United States notes	346,681,016	18,554,092	328,126,924
National-bank notes	355,042,675	5,296,382	349,746,293
	1,406,541,823	292,303,704	1,114,238,119

JULY 1, 1882.

[Population, 52,495,000; circulation per capita, $22.37.]

Gold coin, including bullion in Treasury	$506,757,715	$148,506,390	$358,251,325
Standard silver dollars, including bullion in Treasury	122,788,544	90,384,724	32,403,820
Subsidiary silver	74,428,580	28,048,631	46,379,949
Gold certificates	5,037,120	8,100	5,029,020
Silver certificates	66,096,710	11,590,620	54,506,090
United States notes	346,681,016	21,425,589	325,255,427
National-bank notes	358,742,034	6,277,246	352,464,788
	1,480,531,719	306,241,300	1,174,290,419

JULY 1, 1883.

[Population, 53,693,000; circulation per capita, $22.91.]

Gold coin, including bullion in Treasury	$542,732,063	$198,078,568	$344,653,495
Standard silver dollars, including bullion in Treasury	152,047,685	116,396,235	35,651,450
Subsidiary silver	74,960,300	28,486,001	46,474,299
Gold certificates	82,378,640	22,571,270	59,807,370
Silver certificates	88,616,831	15,996,145	72,620,686
United States notes	346,681,016	23,438,839	323,242,177
National-bank notes	356,073,281	8,217,062	347,856,219
	1,643,489,816	413,184,120	1,230,305,696

TABLE M.—STATEMENT SHOWING THE AMOUNTS OF MONEY IN THE UNITED STATES, IN THE TREASURY AND IN CIRCULATION, ON THE DATES SPECIFIED—Continued.

JULY 1, 1884.

[Population, 54,911,000; circulation per capita, $22.65.]

	General stock coined or issued.	In Treasury.	Amount in circulation.
Gold coin, including bullion in Treasury	$545,500,797	$204,876,594	$340,624,203
Standard silver dollars, including bullion in Treasury	180,306,614	139,616,414	40,690,200
Subsidiary silver	75,261,528	29,600,720	45,660,808
Gold certificates	98,392,660	27,246,020	71,146,640
Silver certificates	119,811,691	23,384,680	96,427,011
United States notes	346,681,016	27,993,802	318,687,214
National-bank notes	339,499,883	8,809,900	330,689,893
	1,705,454,189	461,528,220	1,243,925,969

JULY 1, 1885.

[Population, 56,148,000; circulation per capita, $23.02.]

Gold coin, including bullion in Treasury	$588,697,036	$247,028,625	$341,668,411
Standard silver dollars, including bullion in Treasury	208,538,967	169,451,998	39,086,969
Subsidiary silver	74,939,820	31,236,899	43,702,921
Gold certificates	140,323,140	13,593,410	126,729,730
Silver certificates	139,901,646	38,370,700	101,530,946
United States notes	346,681,016	15,462,379	331,218,637
National-bank notes	318,576,711	9,945,710	308,631,001
	1,817,658,336	525,089,721	1,292,568,615

JULY 1, 1886.

[Population, 57,404,000; circulation per capita, $21.82.]

Gold coin, including bullion in Treasury	$590,774,461	$232,554,886	$358,219,575
Standard silver dollars, including bullion in Treasury	237,191,906	184,523,283	52,668,623
Subsidiary silver	75,060,937	28,886,947	46,173,990
Gold certificates	131,174,245	55,129,870	76,044,375
Silver certificates	115,977,675	27,861,450	88,116,225
United States notes	346,681,016	22,868,317	323,812,699
National-bank notes	311,699,454	4,034,416	307,665,038
	1,808,559,694	555,859,169	1,252,700,525

JULY 1, 1887.

[Population, 58,680,000; circulation per capita, $22.45.]

Gold coin, including bullion in Treasury	$654,520,335	$277,979,654	$376,540,681
Standard silver dollars, including bullion in Treasury	277,445,767	221,897,046	55,548,721
Subsidiary silver	75,547,799	26,963,934	48,583,865
Gold certificates	121,486,817	30,261,380	91,225,437
Silver certificates	145,543,150	3,425,133	142,118,017
United States notes	346,681,016	20,013,797	326,667,219
National-bank notes	279,217,788	2,362,585	276,855,203
	1,900,442,672	582,903,529	1,317,539,143

JULY 1, 1888.

[Population, 59,974,000; circulation per capita, $22.88.]

Gold coin, including bullion in Treasury	$705,818,855	$314,704,822	$391,114,033
Standard silver dollars, including bullion in Treasury	310,166,459	254,639,063	55,527,396
Subsidiary silver	76,406,376	26,044,062	50,362,314
Gold certificates	142,023,150	20,928,500	121,094,650
Silver certificates	229,491,772	28,732,115	200,759,657
United States notes	346,681,016	38,680,976	308,000,040
National-bank notes	252,368,321	7,055,541	245,312,780
	2,062,955,949	690,785,079	1,372,170,870

TABLE M.—STATEMENT SHOWING THE AMOUNTS OF MONEY IN THE UNITED STATES, IN THE TREASURY AND IN CIRCULATION, ON THE DATES SPECIFIED—Continued.

JULY 1, 1889.

[Population, 61,289,000; circulation per capita, $22.52.]

	General stock coined or issued.	In Treasury.	Amount in circulation.
Gold coin, including bullion in Treasury	$[illegible]	$[illegible]	$476,481,568
Standard silver dollars, including bullion in Treasury	343,947,093	289,489,794	54,457,299
Subsidiary silver	76,601,836	25,124,672	51,477,164
Gold certificates	154,048,552	36,918,323	117,130,229
Silver certificates	262,629,746	5,474,181	257,155,565
United States notes	346,681,016	30,241,825	316,439,191
National-bank notes	211,378,963	4,158,330	207,220,633
	2,075,350,711	694,989,062	1,380,361,649

JULY 1, 1890.

[Population, 62,622,250; circulation per capita, $22.82.]

Gold coin, including bullion in Treasury	$695,563,029	$321,304,106	$374,258,923
Standard silver dollars, including bullion in Treasury	380,083,304	323,804,555	56,278,749
Subsidiary silver	76,825,305	22,792,718	54,032,587
Gold certificates	157,562,979	26,732,120	130,830,859
Silver certificates	301,539,751	3,983,513	297,556,238
United States notes	346,681,016	11,992,039	334,688,977
National-bank notes	185,970,775	4,365,838	181,604,937
	2,144,226,159	714,974,889	1,429,251,270

JULY 1, 1891.

[Population, 63,975,000; circulation per capita, $23.41.]

Gold coin, including bullion in Treasury	$[illegible]	$[illegible]	$407,319,163
Standard silver dollars, including bullion in Treasury	438,753,502	379,927,323	58,826,179
Subsidiary silver	77,848,700	19,629,480	58,219,220
Gold certificates	152,486,429	32,423,360	120,063,069
Silver certificates	314,715,185	7,479,219	307,235,966
Treasury notes, act July 14, 1890	50,228,417	9,879,713	40,348,704
United States notes	346,681,016	3,473,656	343,207,360
National-bank notes	167,927,974	5,706,928	162,221,046
	2,195,224,075	697,783,368	1,497,440,707

JULY 1, 1892.

[Population, 65,520,000; circulation per capita, $24.44.]

Gold coin, including bullion in Treasury	$664,275,335	$255,706,511	$408,568,824
Standard silver dollars, including bullion in Treasury	491,057,518	434,240,056	56,817,462
Subsidiary silver	77,521,478	14,227,774	63,293,704
Gold certificates	156,623,929	15,530,310	141,093,619
Silver certificates	331,614,304	4,920,839	326,693,465
Treasury notes, act July 14, 1890	101,712,071	3,453,379	98,258,692
United States notes	346,681,016	37,121,112	309,559,904
Currency certificates, act June 8, 1872	30,430,000	590,000	29,840,000
National-bank notes	172,683,850	5,462,333	167,221,517
	2,372,599,501	771,252,314	1,601,347,187

TABLE M.—STATEMENT SHOWING THE AMOUNTS OF MONEY IN THE UNITED STATES, IN THE TREASURY AND IN CIRCULATION, ON THE DATES SPECIFIED—Continued.

JULY 1, 1893.

[Population, 66,946,000; circulation per capita, $23.85.]

	General stock coined or issued.	In Treasury.	Amount in circulation.
Gold coin, including bullion in Treasury	$597, 697, 685	$189, 162, 022	$408, 535, 663
Standard silver dollars, including bullion in Treasury	538, 300, 776	481, 371, 103	56, 929, 673
Subsidiary silver	77, 415, 123	11, 945, 257	65, 469, 866
Gold certificates	94, 041, 189	1, 399, 000	92, 642, 189
Silver certificates	330, 957, 504	4, 133, 656	326, 823, 848
Treasury notes, act of July 14, 1890	147, 190, 227	6, 334, 613	140, 855, 614
United States notes	346, 681, 016	27, 621, 590	319, 059, 426
Currency certificates, act June 8, 1872	12, 405, 000	690, 000	11, 715, 000
National-bank notes	178, 713, 872	4, 043, 906	174, 669, 966
	2, 323, 402, 392	726, 701, 147	1, 596, 701, 245

JULY 1, 1894.

[Population, 68,397,000; circulation per capita, $24.28.]

Gold coin, including bullion in Treasury	$627, 293, 201	$131, 316, 471	$495, 976, 750
Standard silver dollars, including bullion in Treasury	548, 000, 032	495, 435, 370	52, 564, 662
Subsidiary silver	76, 249, 925	17, 738, 968	58, 510, 957
Gold certificates	66, 387, 899	48, 050	66, 339, 849
Silver certificates	337, 148, 504	10, 157, 768	326, 990, 736
Treasury notes, act July 14, 1890	152, 584, 417	17, 902, 988	134, 681, 429
United States notes	346, 681, 016	80, 091, 414	266, 589, 602
Currency certificates, act June 8, 1872	59, 235, 000	300, 000	58, 935, 000
National-bank notes	206, 854, 787	6, 635, 044	200, 219, 743
	2, 420, 434, 781	759, 626, 073	1, 660, 808, 708

JULY 1, 1895.

[Population, 69,878,000; circulation per capita, $22.93.]

Gold coin, including bullion in Treasury	$636, 256, 023	$156, 618, 062	$479, 637, 961
Standard silver dollars, including bullion in Treasury	547, 777, 049	495, 791, 006	51, 986, 043
Subsidiary silver	76, 954, 434	16, 604, 420	60, 350, 014
Gold certificates	48, 469, 959	88, 650	48, 381, 309
Silver certificates	328, 894, 504	9, 271, 563	319, 622, 941
Treasury notes, act July 14, 1890	146, 088, 400	30, 145, 231	115, 943, 169
United States notes	346, 681, 016	83, 032, 031	263, 648, 985
Currency certificates, act June 8, 1872	55, 795, 000	350, 000	55, 445, 000
National-bank notes	211, 691, 035	4, 737, 984	206, 953, 051
	2, 398, 607, 420	796, 638, 947	1, 601, 968, 473

JULY 1, 1896.

[Population, 71,390,000; circulation per capita, $21.10.]

Gold coin, including bullion in Treasury	$599, 597, 964	$144, 692, 900	$454, 905, 064
Standard silver dollars, including bullion in Treasury	551, 723, 999	499, 607, 095	52, 116, 904
Subsidiary silver	75, 971, 507	15, 767, 056	60, 204, 451
Gold certificates	42, 818, 189	620, 070	42, 198, 119
Silver certificates	342, 619, 504	11, 962, 313	330, 657, 191
Treasury notes, act July 14, 1890	129, 683, 280	34, 638, 033	95, 045, 247
United States notes	346, 681, 016	122, 431, 148	224, 249, 868
Currency certificates, act June 8, 1872	32, 210, 000	320, 000	31, 890, 000
National-bank notes	226, 000, 547	10, 832, 425	215, 168, 122
	2, 347, 306, 006	840, 871, 040	1, 506, 434, 966

TABLE M.—STATEMENT SHOWING THE AMOUNTS OF MONEY IN THE UNITED STATES, IN THE TREASURY AND IN CIRCULATION, ON THE DATES SPECIFIED—Continued.

JULY 1, 1897.

[Population, 72,937,000; circulation per capita, $22.49.]

	General stock coined or issued.	In Treasury.	Amount in circulation.
Gold coin, including bullion in Treasury	[illegible]	[illegible]	$517,589,688
Standard silver dollars, including bullion in Treasury	[illegible]	[illegible]	51,940,281
Subsidiary silver	75,818,369	16,201,960	59,616,409
Gold certificates	38,782,169	1,496,830	37,285,339
Silver certificates	375,479,504	17,630,192	357,849,312
Treasury notes, act July 14, 1890	114,867,280	31,397,763	83,469,517
United States notes	[illegible]	[illegible]	[illegible]
Currency certificates, act June 8, 1872	[illegible]	[illegible]	[illegible]
National-bank notes	230,668,034	5,123,683	225,544,351
	2,497,465,572	857,256,053	1,640,209,519

JULY 1, 1898.

[Population, 74,522,000; circulation per capita, $24.66.]

Gold coin, including bullion in Treasury	$861,514,780	$203,564,317	$657,950,463
Standard silver dollars, including bullion in Treasury	561,350,859	502,867,893	58,482,966
Subsidiary silver	76,127,610	12,070,690	64,056,920
Gold certificates	37,420,149	1,608,560	35,811,589
Silver certificates	398,556,504	8,429,994	390,126,510
Treasury notes, act July 14, 1890	101,207,280	2,900,843	98,306,437
United States notes	346,681,016	62,111,994	284,569,022
Currency certificates, act June 8, 1872	26,675,000	1,110,000	25,565,000
National-bank notes	227,900,177	4,909,189	222,990,988
	2,637,433,375	799,573,480	1,837,859,895

JULY 1, 1899.

[Population, 76,148,000; circulation per capita, $25.]

Gold coin, including bullion in Treasury	$963,498,384	$283,760,334	$679,738,050
Standard silver dollars, including bullion in Treasury	[illegible]	[illegible]	61,481,426
Subsidiary silver	74,866,552	5,800,728	69,065,824
Gold certificates	34,297,819	1,641,900	32,655,919
Silver certificates	406,085,504	3,948,887	402,136,617
Treasury notes, act July 14, 1890	93,518,280	956,516	92,561,764
United States notes	346,681,016	38,329,174	308,351,842
Currency certificates, act June 8, 1872	[illegible]	[illegible]	[illegible]
National-bank notes	[illegible]	[illegible]	[illegible]
	2,745,350,508	841,278,627	1,904,071,881

TABLE M.—STATEMENT SHOWING THE AMOUNTS OF MONEY IN THE UNITED STATES, IN THE TREASURY, AND IN CIRCULATION, ON THE DATES SPECIFIED—Continued.

RECAPITULATION.

Year.	Amount of money in United States.	Amount in circulation.	Population.	Money per capita.	Circulation per capita.
1860	$442,102,477	$435,407,252	31,443,321	$14.06	$13.85
1861	452,005,767	448,405,767	32,064,000	14.09	13.98
1862	358,452,079	334,697,744	32,704,000	10.96	10.23
1863	674,807,283	595,394,038	33,365,000	20.23	17.84
1864	705,588,067	669,641,478	34,046,000	20.72	19.67
1865	770,129,755	714,702,995	34,748,000	22.16	20.57
1866	754,327,254	673,488,244	35,469,000	21.27	18.99
1867	728,200,612	661,992,069	36,211,000	20.11	18.28
1868	716,553,578	680,103,661	36,973,000	19.38	18.39
1869	715,351,180	664,452,891	37,756,000	18.95	17.60
1870	722,868,461	675,212,794	38,558,371	18.73	17.50
1871	741,812,174	715,889,005	39,555,000	18.75	18.10
1872	762,721,565	738,309,549	40,596,000	18.70	18.19
1873	774,445,610	751,881,809	41,677,000	18.58	18.04
1874	806,024,781	776,083,031	42,796,000	18.83	18.13
1875	798,273,509	754,101,947	43,951,000	18.16	17.16
1876	790,683,284	727,609,388	45,137,000	17.52	16.12
1877	763,053,847	722,314,883	46,353,000	16.46	15.58
1878	791,253,576	729,132,634	47,598,000	16.62	15.32
1879	1,051,521,541	818,631,793	48,866,000	21.52	16.75
1880	1,205,929,197	973,382,228	50,155,783	24.04	19.41
1881	1,406,541,823	1,114,238,119	51,316,000	27.41	21.71
1882	1,489,531,719	1,174,290,419	52,495,000	28.20	22.37
1883	1,643,489,816	1,230,305,696	53,693,000	30.60	22.91
1884	1,705,454,189	1,243,925,969	54,911,000	31.06	22.65
1885	1,817,058,336	1,292,568,615	56,148,000	32.37	23.02
1886	1,808,559,694	1,252,700,525	57,404,000	31.50	21.82
1887	1,900,442,672	1,317,539,143	58,680,000	32.39	22.45
1888	2,062,955,949	1,372,170,870	59,974,000	34.39	22.88
1889	2,075,350,711	1,380,361,649	61,289,000	33.86	22.52
1890	2,144,226,159	1,429,251,270	62,622,250	34.24	22.82
1891	2,195,224,075	1,497,440,707	63,975,000	34.31	23.41
1892	2,372,599,501	1,601,347,187	65,520,000	36.21	24.44
1893	2,323,402,392	1,596,701,245	66,946,000	34.70	23.85
1894	2,420,434,781	1,660,808,708	68,397,000	35.39	24.28
1895	2,398,607,420	1,601,968,473	69,878,000	34.33	22.93
1896	2,347,306,006	1,506,434,966	71,390,000	32.88	21.10
1897	2,497,465,572	1,640,209,519	72,937,000	34.24	22.49
1898	2,637,433,375	1,837,859,895	74,522,000	35.39	24.66
1899	2,745,350,508	1,904,071,881	76,148,000	36.05	25.00

NOTE.—The difference between the amount of money in the country and the amount in circulation represents the money in the Treasury.

Currency certificates, act of June 8, 1872, are included in the amount of United States notes in circulation in the tables for the years 1873 to 1891, inclusive; since 1891 they are reported separately.

The foregoing tables present the revised figures for each of the years given.

TABLE N.—STATEMENT OF UNITED STATES BONDS AND OTHER OBLIGATIONS RECEIVED AND ISSUED BY THE OFFICE OF THE SECRETARY OF THE TREASURY FROM NOVEMBER 1, 1898, TO OCTOBER 31, 1899.

Title of loan.	Received for exchange and transfer.	Received for redemption.	Issued.	Total transactions.
Six per cent bonds (act of July 17, 1861)	.....	$2,800	.....	$2,800
Six per cent bonds (act of Mar. 3, 1863)	.....	500	.....	500
Gold certificates (series of 1888)	.....	5,925,000	$12,725,000	18,650,000
Bonds issued to Pacific railroads (acts of July 1, 1862, and July 2, 1864)	$207,000	12,784,560	207,000	13,198,560
Ten forty bonds of 1864 (act of Mar. 3, 1864)	.....	50	.....	50
Consols of 1865 (act of Mar. 3, 1865)	.....	600	.....	600
Consols of 1867 (act of Mar. 3, 1865)	.....	6,300	.....	6,300
Consols of 1868 (act of Mar. 3, 1865)	.....	5,200	.....	5,200
Funded loan of 1891, 4½ per cent (acts of July 14, 1870, and Jan. 20, 1871)	.....	19,000	.....	19,000
Funded loan of 1907, 4 per cent (acts of July 14, 1870, and Jan. 20, 1871)	[illegible]	[illegible]	[illegible]	116,600,450
Certificates of deposit (act of June 8, 1872)	.....	23,705,000	17,420,000	41,125,000
Three per cent bonds (act of July 12, 1882)	.....	100	.....	100
Funded loan of 1891, continued at 2 per cent	6,029,050	.....	6,029,050	12,058,100
Five per cent loan of 1904 (act of Jan. 14, 1875)	15,713,650	.....	15,713,650	31,427,300
Four per cent loan of 1925 (act of Jan. 14, 1875)	34,783,850	.....	34,783,850	69,567,700
Three per cent 10-20 loan of 1898 (act of June 13, 1898)	81,048,460	.....	106,164,560	187,213,020
Gold certificates (act Mar. 3, 1865), series 1875	.....	29,400	.....	29,400
Gold certificates (act Mar. 3, 1863), series 1870 and 1871	.....	31,100	.....	31,100
Total	196,275,060	42,509,610	251,540,410	490,325,080

TABLE O.—STATEMENT SHOWING THE AGGREGATE RECEIPTS, EXPENSES, AVERAGE NUMBER OF PERSONS EMPLOYED, AND COST TO COLLECT INTERNAL REVENUE IN THE SEVERAL COLLECTION DISTRICTS DURING THE FISCAL YEAR ENDED JUNE 30, 1899.

Collection districts.	Aggregate receipts. *a*	Expenses.	Average number of persons employed.	Cost to collect $1.
Alabama	$508,296.92	$41,438.59	16	$0.082
Arkansas	269,936.30	34,087.43	13	.126
First California	3,724,964.18	93,961.39	34	.025
Fourth California	623,729.30	39,622.86	13	.064
Colorado	1,248,135.22	30,288.31	16	.024
Connecticut	2,916,759.03	44,238.60	20	.015
Florida	682,422.50	19,506.89	14	.029
Georgia	941,726.30	90,000.30	34	.096
First Illinois	14,748,449.65	107,681.90	53	.007
Fifth Illinois	21,922,965.69	107,251.58	17	.005
Eighth Illinois	9,598,215.48	69,143.56	19	.007
Thirteenth Illinois	1,089,893.05	23,895.33	9	.022
Sixth Indiana	4,878,267.71	66,287.65	23	.014
Seventh Indiana	12,334,803.26	70,308.72	18	.006
Third Iowa	1,000,461.02	18,874.31	10	.019
Fourth Iowa	1,002,795.24	23,182.02	19	.023
Kansas	944,825.37	22,299.67	12	.024
Second Kentucky	1,833,133.71	84,646.05	20	.046
Fifth Kentucky	12,635,497.18	239,417.92	17	.019
Sixth Kentucky	3,072,438.41	86,875.76	16	.028
Seventh Kentucky	2,357,622.18	120,263.82	18	.051
Eighth Kentucky	2,316,542.75	111,424.45	20	.048
Louisiana	2,254,173.74	40,416.24	20	.018
Maryland	*b* 8,130,409.41	132,692.68	40	.017
Massachusetts	8,153,620.36	77,859.98	34	.010
First Michigan	3,936,209.50	34,915.16	21	.009
Fourth Michigan	707,585.99	15,002.55	9	.021
Minnesota	2,567,688.23	39,564.54	21	.015
First Missouri	14,380,593.84	76,043.21	32	.005
Sixth Missouri	1,988,481.50	50,525.82	20	.025
Montana	681,097.21	25,800.02	11	.038
Nebraska	3,428,079.38	55,593.57	22	.016
New Hampshire	1,341,036.09	23,703.85	15	.018

a Based on reports of collectors.

b Includes $274,953.30, receipts from tax on money orders for first and second quarters of fiscal year ended June 30, 1899, turned over by the Postmaster-General to the district of Maryland. The cost to collect in that district, is based upon the total receipts of the same, less tax on money orders, for which no expense to collect was incurred.

TABLE O.—STATEMENT SHOWING THE AGGREGATE RECEIPTS, EXPENSES, AVERAGE NUMBER OF PERSONS EMPLOYED, AND COST TO COLLECT INTERNAL REVENUE IN THE SEVERAL COLLECTION DISTRICTS DURING THE FISCAL YEAR ENDED JUNE 30, 1899—Continued.

Collection districts.	Aggregate receipts.	Expenses.	Average number of persons employed.	Cost to collect $1.
First New Jersey	$474,372.34	$15,524.96	7	$0.033
Fifth New Jersey	7,599,888.84	45,342.75	33	.006
New Mexico	132,867.28	11,351.65	4	.085
First New York	8,710,430.37	62,042.01	29	.007
Second New York	16,611,196.63	87,834.23	35	.005
Third New York	10,127,727.45	67,838.91	37	.007
Fourteenth New York	3,880,171.25	42,690.71	24	.011
Twenty-first New York	2,800,146.55	38,044.16	20	.014
Twenty-eighth New York	4,505,308.73	55,810.41	27	.012
Fourth North Carolina	2,296,476.09	115,146.59	32	.050
Fifth North Carolina	2,624,540.82	213,523.83	44	.081
First Ohio	14,528,118.81	160,466.94	42	.011
Tenth Ohio	1,776,682.19	34,386.76	19	.019
Eleventh Ohio	2,216,889.33	34,199.09	15	.015
Eighteenth Ohio	2,819,375.42	41,393.80	19	.015
Oregon	1,074,921.81	43,209.74	21	.040
First Pennsylvania	9,902,664.93	98,647.75	40	.010
Ninth Pennsylvania	3,108,037.24	70,871.13	32	.023
Twelfth Pennsylvania	1,820,656.71	35,681.95	15	.020
Twenty-third Pennsylvania	8,504,214.65	141,008.09	37	.017
South Carolina	284,278.15	31,195.31	8	.110
Second Tennessee	490,633.47	45,342.31	13	.092
Fifth Tennessee	1,683,262.03	68,264.34	23	.041
Third Texas	1,003,727.14	22,499.29	12	.022
Fourth Texas	574,106.45	24,158.25	9	.042
Second Virginia	3,361,808.84	41,817.08	24	.012
Sixth Virginia	1,454,042.24	91,154.09	39	.063
West Virginia	1,430,106.57	39,835.56	23	.028
First Wisconsin	8,301,046.36	58,522.42	27	.007
Second Wisconsin	1,076,019.05	21,858.26	12	.020
Total	273,484,573.44	3,976,477.10	1,398	.....

a Based on reports of collectors.

NOTE.—The foregoing statement of expenses does not include salaries and expenses of internal-revenue agents, salaries of the officers and clerks in the office of the Commissioner of Internal Revenue, amounts expended in detecting and punishing violations of internal-revenue laws, cost of paper for internal-revenue stamps, and certain miscellaneous expenses.

Amount of expenses as stated above	$3,976,477.10
Expenses not included in above	615,277.80
Total expenses for fiscal year ended June 30, 1899	4,591,754.90
Cost to collect $1	$0.0168

TABLE P.—STATEMENT OF CUSTOMS BUSINESS FOR THE FISCAL YEAR ENDED JUNE 30, 1899.

Districts and ports.	Vessels entered.		Vessels cleared.		Entries of merchandise.	Documents issued to vessels	Duties and tonnage tax.	Aggregate receipts. *a*	Value of exports.		Expenses.	Average number of persons employed.	Cost to collect $1.
	[illegible]	[illegible]	Foreign.	Coastwise.					Foreign.	Domestic.			
Alaska (Sitka), Alaska	[illegible]	[illegible]	[illegible]	[illegible]	3	20	$43,529.09	$51,314.17	$13,391	$52,398	$83,927.36	58	$1.606
Albany, N. Y	[illegible]	[illegible]	[illegible]	[illegible]	466	225	82,041.40	82,271.95	.....	.....	10,841.67	7	.132
Albemarle (Edenton), N. C	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	131	.....	.....	.....	.....	1,334.70	2	.....
Alexandria, Va	[illegible]	[illegible]	[illegible]	4	5	100	1,576.02	1,601.32	.....	.....	1,550.82	3	.968
Annapolis, Md	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	228	.....	.....	.....	.....	949.75	1	.....
Apalachicola, Fla	[illegible]	[illegible]	[illegible]	[illegible]	6	95	2,275.28	2,916.69	....	396,436	3,605.70	4	1.324
Arizona (Nogales), Ariz	.....	.....	.....	.....	1,372	.....	127,887.36	129,028.07	207,032	1,311,348	27,231.87	.....	.11
Aroostook (Houlton), Me	.....	.....	.....	.....	1,750	.....	33,264.84	38,394.90	180	.....	14,685.75	11	.38
Atlanta, Ga	.....	.....	.....	.....	62	.....	9,543.80	12,306.32	1,550	.....	2,138.01	2	.174
Baltimore, Md	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,062,161.18	2,100,792.77	57,039	107,099,201	254,975.72	18	.121
Bangor, Me	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	130,014.01	130,412.45	25,476	3,459,767	14,501.22	11	.111
Barnstable, Mass	[illegible]	[illegible]	[illegible]	15	[illegible]	[illegible]	202.45	515.29	.....	.....	2,667.65	9	5.177
Bath, Me	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	13,153.13	13,389.41	.....	4,338	8,388.94	9	.627
Beaufort, N. C	.....	.....	.....	.....	.....	21	.....	11.59	.....	.....	1,176.31	3	101.494
Beaufort, S. C	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,588.75	3,062.56	.....	940,794	4,036.35	5	1.318
Belfast, Me	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,059.60	1,454.79	.....	1,994	2,051.58	5	1.410
Boston and Charlestown (Boston), Mass	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	15,600,192.79	15,089,276.26	2,437,731	125,599,418	660,542.59	537	.042
Brazos (Brownsville), Tex	.....	.....	.....	14	[illegible]	[illegible]	13,158.23	15,025.45	52,921	141,651	30,649.25	28	2.040
Bridgeton, N. J	[illegible]	.....	[illegible]	.....	.....	[illegible]	148.86	150.69	.....	.....	1,075.74	1	6.740
Bristol and Warren, R. I	[illegible]	.....	[illegible]	.....	.....	[illegible]	656.73	656.73	.....	.....	75.05	.....	.114
Brunswick, Ga	[illegible]	[illegible]	225	400	[illegible]	[illegible]	14,576.94	16,367.01	.....	10,421,488	7,245.60	.....	.444
Buffalo Creek (Buffalo), N. Y	[illegible]	4,661	1,067	4,120	[illegible]	[illegible]	639,901.53	646,478.67	112,085	7,895,269	53,528.97	.....	.083
Burlington, Iowa	.....	.....	.....	.....	.....	[illegible]	.....	35.67	.....	.....	358.40	2	1.048
Burlington (Trenton), N. J	.....	.....	.....	.....	.....	[illegible]	.....	.....	.....	.....	150.00	2	.....
Cairo, Ill	.....	.....	.....	.....	.....	[illegible]	.....	.....	.....	.....	352.64	1	.....
Cape Vincent, N. Y	1,373	536	1,327	557	[illegible]	[illegible]	31,480.40	31,560.78	15,895	180,446	14,068.27	.....	.405
Castine, Me	9	.....	13	.....	[illegible]	[illegible]	165.12	239.74	.....	10,307	4,069.99	6	16.967
Champlain (Plattsburg), N. Y	1,080	.....	1,080	917	[illegible]	[illegible]	359,106.46	362,022.76	861,210	5,970,068	32,365.73	20	.089
Charleston, S. C	109	414	81	71	[illegible]	[illegible]	104,106.48	106,256.03	.....	8,059,158	14,636.93	11	.138
Chattanooga, Tenn	.....	.....	.....	.....	.....	[illegible]	.....	.....	.....	.....	469.35	2	.....
Cherrystone (Cape Charles City), Va	.....	.....	.....	.....	.....	[illegible]	.....	.....	.....	.....	933.84	1	.....
Chicago, Ill	164	8,600	390	8,484	[illegible]	[illegible]	6,405,752.36	6,417,497.59	127,813	7,546,999	156,382.88	114	.024
Cincinnati, Ohio	.....	.....	.....	.....	[illegible]	[illegible]	610,661.22	613,089.88	.....	.....	33,392.24	2	.054
Columbus, Ohio	.....	.....	.....	.....	282	.....	30,740.16	39,822.50	.....	.....	4,578.61	3	.115
Corpus Christi, Tex	.....	.....	.....	.....	1,234	[illegible]	50,371.06	53,647.64	91,629	6,123,148	30,413.82	24	.567
Council Bluffs, Iowa	.....	.....	.....	.....	.....	.....	12,549.17	12,549.17	.....	.....	262.00	2	.021
Cuyahoga (Cleveland), Ohio	581	5,908	773	5,752	[illegible]	[illegible]	657,342.91	659,484.16	2,239	2,173,610	29,283.39	21	.044
Delaware (Wilmington), Del	[illegible]	[illegible]	73	33	[illegible]	[illegible]	27,283.33	28,322.79	.....	3,874,175	8,500.07	11	.300
Denver, Colo	.....	.....	.....	.....	[illegible]	[illegible]	67,500.65	68,750.26	146,067	.....	7,747.15	7	.113
Des Moines, Iowa	.....	.....	.....	.....	79	.....	21,283.14	21,293.52	.....	.....	1,353.89	2	.064

Detroit, Mich	1,597	2,819	1,518	2,894	16,154	346	638,536.60	701,935.14	69,285	13,546,692	73,996.90	69	.113
Dubuque, Iowa					98	22	28,942.99	29,032.35			362.00	2	.012
Duluth, Minn	256	2,528	199	2,609	1,588	335	5,879.13	8,532.26	1,257,355	3,241,621	13,319.97	11	1.561
Dunkirk, N. Y		80		86	19	10	1,103.40	1,110.90			1,101.33	1	.991
Eastern (Crisfield), Md						830		115.10			2,281.55	2	19.822
Edgartown, Mass	38		2	45	1	45	199.92	512.03		210	2,379.38	4	4.647
Erie, Pa	43	859	15	893	83	83	5,830.13	7,197.89		2,182	3,912.81	3	.544
Evansville, Ind					82	337	17,836.45	17,884.79			1,747.85	2	.098
Fairfield (Bridgeport), Conn	62	1,443	52	861	361	320	100,490.92	104,817.26			9,901.95	6	.098
Fall River, Mass	12	736	9	635	23	133	7,943.77	8,012.84			3,490.99	4	.435
Fernandina, Fla	105	151	116	170	7	91	5,244.60	6,066.74		2,424,496	3,265.10	3	.538
Frenchman Bay, (Ellsworth), Me	31		14		15	201	289.82	547.89			3,380.08	5	6.169
Galena, Ill						4					350.00	1	
Galveston, Tex	514	271	563	228	794	249	199,268.11	207,917.44	55,777	78,420,904	40,202.84	32	.193
Genesee (Rochester), N. Y	709	136	721	117	1,462	15	238,051.34	239,901.54		1,005,709	17,408.41	14	.073
Georgetown, D. C	10	488		4	764	92	60,254.95	61,262.51			11,769.38	8	.192
Georgetown, S. C		45		42		21					400.50	1	
Gloucester, Mass	112	40	101	43	581	609	3,180.80	4,973.54	530		12,841.48	12	2.582
Grand Rapids, Mich					607		85,974.43	85,984.35			5,072.97	2	.059
Great Egg Harbor, (Somers Point), N. J						135		4.20			615.40	2	146.524
Hartford, Conn	2	230	2	227	928	130	112,527.10	113,436.85			10,633.71	5	.094
Humboldt (Eureka), Cal	18	107	40	3	3	79	677.61	822.61		195,678	2,885.33	1	3.508
Huron (Port Huron), Mich	1,035	2,165	920	2,351	5,445	433	122,394.33	127,233.39	47,807	7,052,088	48,708.52	46	.383
Indianapolis, Ind					541		150,322.87	150,794.33			10,275.65	5	.068
Kansas City, Mo					891	12	159,229.43	161,599.37	5,486		14,586.25	8	.090
Kennebunk, Me						16		22.20			122.20	2	5.505
Key West, Fla	601	378	663	306	1,656	278	214,854.68	225,420.19	89,526	1,652,787	26,156.58	19	.116
Knoxville, Tenn					5		1,046.21	1,047.43			489.69	1	.468
Lacrosse, Wis						64		25.98			362.00	2	13.934
Lincoln, Nebr							9,640.44	9,643.22			1,695.37	2	.176
Little Egg Harbor (Tuckerton), N. J						40		50.45			292.00	2	5.738
Los Angeles, Cal	48	190	44	11	470	59	188,419.26	189,359.27	5	4,085	18,195.76	16	.096
Louisville, Ky					1,263	61	259,432.27	260,952.11			15,744.38	10	.060
Machias, Me	111	15	123	74	42	317	422.85	1,059.59		2,064	3,756.49	5	3.545
Marblehead, Mass	10		12	2	9	48	461.35	698.02			1,885.01	3	2.701
Memphis, Tenn					125	139	28,286.38	28,491.35			4,641.28	4	.163
Memphremagog (Newport), Vt	245		242		17,007		241,382.25	245,158.72	775,779	1,482,253	40,513.25	36	.165
Miami (Toledo), Ohio	173	2,210	168	2,221	293	89	64,819.03	65,742.34		891,053	7,891.98	6	.120
Michigan (Grand Haven), Mich	67	8,284	30	8,396	35	610	8,434.05	8,497.17		11,810	6,562.14	14	.772
Milwaukee, Wis	70	13,653	64	13,753	1,543	456	296,472.66	297,378.42	1,327		16,423.95	18	.055
Minnesota (St. Paul), Minn	363		363		1,938	24	484,295.30	487,936.79	855	274,206	33,400.38	24	.068
Mobile, Ala	535	73	555	61	518	204	26,577.35	32,534.87	7,695	8,894,424	15,706.98	14	.483
Montana and Idaho (Great Falls), Mont	142		142		616		44,776.31	47,395.36		86,654	22,023.94	18	.465
Nantucket, Mass	1					25		9.30			407.00	2	43.763
Nashville, Tenn					72	25	13,537.14	13,613.21			2,418.37	2	.178

a Based on returns of collectors.

TABLE P.—STATEMENT OF CUSTOMS BUSINESS FOR THE FISCAL YEAR ENDED JUNE 30, 1899—Continued.

Districts and ports	Vessels entered.		Vessels cleared.		Entries of merchandise.	Documents issued to vessels.	Duties and tonnage tax.	Aggregate receipts.	Value of exports.		Expenses.	Average number of persons employed.	Cost to collect $1.
	For'gn.	Coast'wise.	For'gn.	Coast'wise.					Foreign.	Domestic.			
Newark, N. J	[illegible]	[illegible]	[illegible]	1	1,211	119	$85,766.69	$88,026.33	$627,458	$79,286	$10,222.71	6	$0.116
New Bedford, Mass	39	121	38	4	78	137	15,689.31	16,228.48	.....	9,925	4,226.40	5	.260
Newburyport, Mass	1	.....	1	.....	1	16	104.67	129.40	.....	.....	665.51	2	5.142
New Haven, Conn	60	737	28	746	408	258	50,102.97	50,654.48	.....	.....	7,919.58	7	.156
New London, Conn	27	2	13	2	27	265	5,438.96	5,596.77	.....	.....	5,426.98	6	1.000
Newport, R. I	23	.....	13	2	20	200	3,775.22	3,996.82	.....	.....	1,998.74	4	.500
Newport News, Va	[illegible]	726	[illegible]	87	2,837	413	365,568.26	371,350.46	18,162	28,159,655	57,867.62	56	.162
New York, N. Y	4,[illegible]	2,[illegible]	4,[illegible]	3,742	57,235	4,925	156,780,901.86	157,455,208.62	9,642,692	449,891,525	2,904,796.97	1,992	.021
Niagara (Niagara Falls), N. Y	764	765	759	806	20,901	52	183,873.36	193,704.37	577,973	6,160,394	59,568.75	48	.308
Norfolk and Portsmouth (Norfolk), Va	144	2,292	672	1,962	73	685	16,183.73	20,494.83	.....	13,831,233	13,011.69	9	.805
North and South Dakota (Pembina, N. Dak.)	.....	.....	.....	.....	1,795	.....	81,632.69	86,270.97	29,531	6,331,156	22,437.93	15	.260
New Orleans, La	1,[illegible]	[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,282,692	86,710,585	202,881.82	173	.655
Omaha, Nebr	.....	.....	.....	.....	658	.....	87,258.92	88,346.36	250,791	.....	9,586.39	6	.109
Oregon (Astoria), Oreg	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	12,859.68	13,751.22	.....	150,049	12,107.57	14	.880
Oswegatchie (Ogdensburg), N. Y	1,656	.....	1,305	.....	4,415	70	194,867.30	197,334.48	99,106	3,611,545	23,133.93	23	.117
Oswego, N. Y	1,[illegible]	[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	99,652.67	99,835.43	42,368	1,727,892	14,081.70	14	.141
Paducah, Ky	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	362.00	2	.....
Pamlico (Newbern), N. C	2	14	3	.....	3	240	644.45	684.95	.....	3,855	2,484.28	5	3.627
Paso del Norte (El Paso), Tex	.....	.....	.....	.....	[illegible]	.....	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Passamaquoddy (Eastport), Me	779	170	799	146	1,174	277	52,045.15	54,662.66	84,347	464,973	22,405.43	20	.410
Patchogue, N. Y	.....	.....	.....	.....	.....	398	.....	529.15	.....	.....	529.15	2	1.000
Pearl River (Shieldsboro), Miss	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	.....	[illegible]	[illegible]	[illegible]	[illegible]
Pensacola, Fla	[illegible]	123	[illegible]	99	199	211	[illegible]	[illegible]	.....	14,214,690	12,266.47	11	.291
Peoria, Ill	.....	.....	.....	.....	171	17	21,275.83	21,361.92	.....	.....	1,099.48	2	.051
Petersburg, Va	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	.....	.....	4,205.33	4	1.719
Philadelphia, Pa	1,[illegible]	[illegible]	1,[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pittsburg, Pa	.....	.....	.....	.....	1,412	171	303,386.63	304,207.06	.....	.....	15,293.59	9	.050
Plymouth, Mass	9	.....	9	1	15	69	11,141.01	11,174.51	.....	.....	1,721.71	3	.154
Port Jefferson, N. Y	.....	.....	.....	.....	.....	79	.....	.....	.....	.....	.....	2	.....
Portland and Falmouth (Portland), Me	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Portsmouth, N. H	11	1	19	1	13	7	[illegible]	[illegible]	.....	.....	[illegible]	[illegible]	[illegible]
Providence, R. I	66	685	47	160	1,259	205	251,729.22	252,549.49	.....	2,974	17,393.68	13	.069
Puget Sound (Port Townsend), Wash	1,651	546	1,709	476	8,995	900	310,027.19	330,655.23	185,120	15,015,220	95,281.55	65	.288
Richmond, Va	4	785	.....	777	176	128	21,879.30	21,970.30	.....	.....	5,165.38	5	.235
Rock Island, Ill	.....	.....	.....	.....	.....	[illegible]	.....	[illegible]	.....	.....	[illegible]	2	[illegible]

Saco, Me			4			23		10.20			396.45	1	38.868
Sag Harbor, N. Y	3			2	3	289	606.23	606.23			588.90	3	.971
Salem and Beverly (Salem), Mass	72	2	39	47	27	94	1,723.75	2,162.19			5,851.63	6	2.706
Saluria (Eagle Pass), Tex					3,558	38	135,978.73	140,012.99	58,238	2,810,640	37,168.33	27	.265
San Diego, Cal	156	92	146	26	885	19	70,386.54	71,522.35	8,831	1,417,030	18,625.25	18	.260
Sandusky, Ohio	544	1,749	501	1,749	411	102	3,093.49	3,115.49		115,678	3,592.08	8	1.153
San Francisco, Cal	792	284	735	631	29,258	1,076	6,568,712.19	6,603,855.26	755,110	29,459,794	392,813.76	255	.059
Savannah, Ga	324	450	329	423	225	143	55,728.78	59,391.79	488	24,029,084	13,952.61	9	.235
St. Augustine, Fla	2			2	8	49	8,328.68	8,338.88			1,490.56	2	.179
St. Johns (Jacksonville), Fla	67	361	69	356	104	120	17,267.39	17,724.37	63	176,245	3,576.25	4	.202
St. Joseph, Mo						339	68,815.46	68,902.51			5,411.67	3	.079
St. Louis, Mo					3,208	254	1,226,039.15	1,228,867.68			47,229.05	34	.038
St. Marks (Cedar Keys), Fla	3		1	1		46	11.66	20.73		3,666	676.45	1	32.631
St. Marys, Ga	6	3	4	1		13	101.72	139.30		19,273	1,324.91	2	9.511
Sioux City, Iowa					24		18,086.42	18,091.80			955.59	2	.053
Southern Oregon (Coos Bay), Oreg	2	2		2		32	46.62	672.12			1,675.90	2	2.493
Springfield, Mass					178		34,506.73	34,570.74			4,143.80	3	.120
Stonington, Conn	11	8	7	9	14	112	1,229.51	1,300.54			683.18	2	.525
Superior (Marquette), Mich	1,313	6,921	1,266	6,956	1,424	174	40,366.32	40,484.65	110,395	7,898,848	21,102.88	24	.521
Syracuse, N. Y						414	89,568.31	90,683.41			8,675.70	5	.096
Tampa, Fla	156	246	138	134	2,015	127	431,440.89	436,866.33	2,562	953,673	26,720.22	17	.061
Tappahannock, Va		265				240					836.55	2	
Teche (Brashear), La		161		172		166	1.00	15.00			2,589.66	3	172.644
Vicksburg, Miss					1	53	4.58	59.83			505.80	1	8.454
Vermont (Burlington), Vt	118		90		15,576	21	318,655.51	323,411.33	1,017,839	6,753,157	58,611.31	53	.181
Waldoboro, Me	244	5	232	8	248	387	3,381.03	4,467.13			6,765.07	7	1.514
Wheeling, W. Va					16	159	985.16	1,088.73			1,042.19	2	.957
Wiscasset, Me	55	20	17	40	19	95	313.04	698.17		11,023	2,977.32	3	4.264
Wilmington, N. C	69	92	107	65	33	97	9,854.03	11,093.26		7,586,526	7,002.48	4	.631
Willamette (Portland), Oreg	39	241	124	157	1,728	126	398,141.85	403,513.93	3,162	8,963,762	57,098.32	42	.142
Yaquina, Oreg		56		56		8					1,072.00	2	
York, Me						6					250.00	1	
Total	33,719	82,797	53,514	81,132	697,046	32,795	206,122,649.36	207,254,063.82	22,092,051	1,203,807,092	6,864,191.10		

Amount of expenses reported by collectors as above	$6,864,190.10
Miscellaneous expenses not included in above	321,355.97
Total	7,185,546.07
Cost to collect $1	$0.03467
In addition to the above, there was expended on account of collecting the revenue from customs for 1898 and prior years	$181,067.21

PAPERS

ACCOMPANYING

REPORT OF THE SECRETARY OF THE TREASURY.

REPORT OF THE TREASURER.

TREASURY DEPARTMENT,
OFFICE OF THE TREASURER,
Washington, December 1, 1899.

SIR: In the transactions and condition of the Treasury for the past year several changes will be noted. The subscriptions to the three per cent war loan were fully paid according to their terms. A notable activity was exhibited in all kinds of currency, with a marked increase in the use of gold coin and in less degree of silver coin, while the prosperity of the country has at no time left any part of the Government notes in the Treasury above the demands of daily business in its several offices.

REVENUES AND EXPENDITURES.

A complete statement of the net ordinary revenues and expenditures, as they are commonly classified, for the fiscal years 1898 and 1899, is contained in the table which follows:

	1898.	1899.	Increase.	Decrease.
REVENUES.				
Customs	$149,575,063.33	$206,168,181.75	$56,593,118.42	
Internal revenue	170,900,641.49	273,437,161.51	102,536,520.02	
Lands	1,243,129.42	1,678,246.81	435,117.39	
Miscellaneous	83,602,501.94	34,716,730.11		$48,885,771.83
Total	405,321,335.20	515,960,620.18	159,525,056.81	48,885,771.83
Net			110,639,284.98	
EXPENDITURES.				
Customs	19,704,251.59	22,357,527.40	2,593,275.81	
Internal revenue	4,902,511.15	4,499,146.87		403,364.28
Interior civil	8,671,352.83	8,966,478.23	295,125.40	
Treasury proper	54,355,678.84	54,867,594.27	511,915.43	
Diplomatic	2,485,581.13	22,624,019.80	20,138,438.67	
Judiciary	6,341,129.63	5,876,489.33		464,640.30
War Department	91,992,060.29	229,841,254.47	137,849,254.18	
Navy Department	58,823,984.80	63,942,104.25	5,118,119.45	
Indians	10,994,667.70	12,805,711.14	1,811,043.44	
Pensions	147,452,368.61	139,394,929.07		8,057,439.54
Interest	37,585,056.23	39,896,925.02	2,311,868.79	
Total	443,308,582.80	605,072,179.85	170,629,041.17	8,925,444.12
Net			161,703,597.05	
Deficiency	38,047,247.60	89,111,559.67	51,064,312.07	

The results of the new revenue laws are shown in the receipts for the year, in which there was an increase of $56,553,419.40 from the customs, and one of $102,536,520.02 from internal revenue, as compared with 1898. The receipts from the latter source were exceeded only once in the history of that tax, in 1866. From miscellaneous sources, also, the receipts were exceeded only once, in 1898, when they were abnormally swelled by the proceeds of the sale of the Pacific railroads. The total ordinary receipts of $515,960,620.18 were greater than those of any previous year, with the exception again of 1866, when they were a trifle under $520,000,000. On the side of the expenditures the total of upward of $605,000,000 was exceeded only by the three most active years of the war of the rebellion. The net deficiency of the ordinary revenues was $89,111,559.67, an increase of $51,064,312.07 over that of the previous year.

A corresponding statement of the receipts and disbursements on account of the public debt is annexed:

Account.	1898.	1899.	Increase.	Decrease.
RECEIPTS.				
Bonds	$5,950.00	$199,201,210.00	$199,195,260.00	
United States notes	54,260,000.00	88,404,000.00	34,144,000.00	
Treasury notes of 1890	29,642,000.00	30,712,000.00	1,070,000.00	
National-bank notes	22,024,970.00	21,973,510.00		$51,460.00
Silver certificates	173,620,000.00	151,360,000.00		22,260,000.00
Currency certificates	53,675,000.00	30,840,000.00		22,835,000.00
Total	333,227,920.00	522,490,720.00	234,409,260.00	45,146,460.00
Net			189,262,800.00	
DISBURSEMENTS.				
Bonds and fractional currency	29,942,062.00	14,622,363.48		15,319,698.52
United States notes	54,260,000.00	88,404,000.00	34,144,000.00	
Treasury notes of 1890	43,302,000.00	38,401,000.00		4,901,000.00
National-bank notes	15,990,460.00	16,649,275.50	658,815.50	
Gold certificates	1,362,020.00	3,122,330.00	1,760,310.00	
Silver certificates	150,543,000.00	143,831,000.00		6,712,000.00
Currency certificates	88,820,000.00	36,120,000.00		52,700,000.00
Total	384,219,542.00	341,149,968.98	36,563,125.50	79,632,698.52
Net				43,069,573.02
Excess of receipts		181,340,751.02	232,332,373.02	
Excess of disbursements	50,991,622.00			

From the two foregoing tables, the footings of which are combined below, it appears that the total receipts on all accounts by warrants, were $1,038,451,340.18, and the total disbursements $946,222,148.83:

Account.	1898.	1899.	Increase.	Decrease.
RECEIPTS.				
Ordinary	$405,321,335.20	$515,960,620.18	$110,639,284.98	
Debt	333,227,920.00	522,490,720.00	189,262,800.00	
Total	738,549,255.20	1,038,451,340.18	299,902,084.98	
DISBURSEMENTS.				
Ordinary	443,368,582.80	605,072,179.85	161,703,597.05	
Debt	384,219,542.00	341,149,968.98		$43,069,573.02
Total	827,588,124.80	946,222,148.83	118,634,024.03	
Excess of receipts		92,229,191.35	181,268,060.95	
Excess of disbursements	89,038,869.60			

The results of the operations of the two years, as shown in the accounts, may be indicated thus:

Account.	1898.	1899.	Increase.	Decrease.
Balance from previous year	$864,790,237.71	$775,751,368.11		$89,038,869.60
Receipts for year	738,549,255.20	1,038,451,340.18	$299,902,084.98	
Total	1,603,339,492.91	1,814,202,708.29	210,863,215.38	
Disbursements for year	827,588,124.80	946,222,148.83	118,634,024.03	
Balance to next year	775,751,368.11	867,980,559.46	92,229,191.35	

In addition to the ordinary revenues there become available for the fiscal uses of the Treasury the proceeds of whatever loans may be floated, whether represented by interest-bearing obligations or notes intended to circulate as currency. Deposits of lawful money for the retirement of national-bank notes are also covered into the Treasury as a receipt, and increase for the time being the general balance. From this point of view the operations of the two years appear as shown in the following table:

Account.	1898.	1899.	Increase.	Decrease.
RECEIPTS.				
Ordinary	$405,321,335.20	$515,960,620.18	$110,639,284.98	
Bonds	5,950.00	199,201,210.00	199,195,260.00	
United States notes	54,260,000.00	88,404,000.00	34,144,000.00	
National-bank notes	22,024,970.00	21,973,510.00		$51,460.00
Total	481,612,255.20	825,539,340.18	343,978,544.98	51,460.00
Net			343,927,084.98	
DISBURSEMENTS.				
Ordinary	443,368,582.80	605,072,179.85	161,703,597.05	
Bonds and fractional currency	29,942,062.00	14,622,363.48		15,319,698.52
United States notes	54,260,000.00	88,404,030.00	34,144,000.00	
National-bank notes	15,990,460.00	16,649,275.50	658,815.50	
Total	543,561,104.80	724,747,818.83	196,506,412.55	15,319,698.52
Net			181,186,714.03	
Excess of receipts		100,791,521.35		
Excess of disbursements	61,948,849.60		162,740,370.95	

As a more particular indication of the precise sources of the fiscal surplus of $100,791,521.35 for the last year, which is shown in the above statement, the items of receipt and expenditure contributing to this result may be segregated as follows:

Net proceeds of loan of 1898	$198,678,720.00	
Increase of deposits for retiring bank notes	5,324,234.50	
		$204,002,954.50
Deficiency in ordinary revenues	89,111,559.67	
Payment of Pacific Railroad bonds	14,054,560.00	
Redemption of matured debt	45,313.48	
		103,211,433.15
Net fiscal surplus		100,791,521.35

A summary of the operations involved in the issue and redemption of Treasury notes of 1890 and the three classes of certificates which circulate as money, operations which do not affect the fiscal resources

of the Treasury, nor even the volume of money in circulation, may be given as below:

Account.	1898.	1899.	Increase.	Decrease.
RECEIPTS.				
Treasury notes of 1890	$29,642,000.00	$30,712,000.00	$1,070,000.00	
Certificates	227,295,000.00	182,200,000.00		$45,095,000.00
Total	256,937,000.00	212,912,000.00		44,025,000.00
DISBURSEMENTS.				
Treasury notes of 1890	43,302,000.00	38,401,000.00		4,901,000.00
Certificates	240,725,020.00	183,073,330.00		57,651,690.00
Total	284,027,020.00	221,474,330.00		62,552,690.00
Excess of disbursements	27,090,020.00	8,562,330.00		18,527,690.00

THE THREE PER CENT LOAN.

The receipts for the war loan of 1898 began in June of that year and were closed in April, 1899. They were distributed among the Treasury offices in a way which shows how widely scattered the subscriptions were and how fairly every part of the country was represented in them. Many payments from distant places were made at the Washington office, and also at the New York office, while at the subtreasuries in other cities the transactions were more of a local character. The rapidity with which the money came into the Treasury is exhibited in the subjoined statement, by months:

Month.	Washington.	Baltimore.	New York.	Philadelphia.
1898—June	$12,289,210.00	$955,140.00	$2,756,470.00	$1,152,470.00
July	69,782,118.31	700,620.00	1,550,744.00	770,258.00
August	19,102,769.18	1,349,596.29	27,461,978.29	2,256,333.59
September	22,496,998.38	266,012.37	4,223,762.95	255,632.86
October	2,787,586.58	164,785.72	3,649,451.59	114,858.15
November	1,426,534.56	25,429.21	738,032.32	39,556.29
December	501,870.64	4,974.28	344,549.13	22,351.50
1899—January	172,640.78	6,911.80	54,871.24	3,511.85
February	43,121.80	1,957.40	13,329.57	274.87
March	28,271.13		3,432.12	
April	5,161.43		5,576.93	
Total	128,636,282.79	3,475,427.07	40,802,198.14	4,615,247.11
Refunded	2,586.58			
Net	128,633,696.21	3,475,427.07	40,802,198.14	4,615,247.11

Month.	Boston.	Cincinnati.	Chicago.	St. Louis.
1898—June	$1,986,900.00	$1,755,860.00	$3,812,246.80	$985,540.00
July	555,300.00	569,288.00		306,568.00
August	2,845,000.75	757,342.13	2,603,140.02	696,052.65
September	128,410.22	143,616.41	307,296.30	95,723.79
October	474,627.10	200,464.39	1,180,628.63	112,969.44
November	38,509.98	88,285.77	101,898.69	3,239.71
December	20,140.14	4,310.93	53,895.47	2,686.97
1899—January	7,816.20	1,337.93	1,359.46	365.08
February	5,230.42		183.08	
March	1,396.77	.88		
April	.80			
Total	6,063,332.38	3,520,506.44	8,060,648.45	2,203,145.64

Month.	New Orleans.	San Francisco.	Total.
1898—June	$97,480.00	$723,520.00	$26,514,836.80
July	34,120.00	601,060.00	74,870,076.31
August	72,367.20	478,530.03	57,623,110.13
September	7,489.93	31,074.31	27,956,017.52
October	4,258.14	15,267.67	8,704,897.41
November	3,633.16	5,163.78	2,470,283.47
December	1,116.95	3,366.87	959,262.88
1899—January		1,278.70	250,093.04
February	1,728.28		65,825.42
March		999.08	34,099.98
April	871.40	2,077.85	13,788.41
Total	223,165.06	1,862,338.29	199,462,291.37
Refunded			2,586.58
Net	223,165.06	1,862,338.29	199,459,704.79

Of the receipts $125,212,339.21 came in the form of checks, $28,736,491 in gold coin, $25,339,742 in United States notes, and the rest in other kinds of money, as recited in the table given below:

Kind.	Washington.	Baltimore.	New York.	Philadelphia.
Gold coin	$214,626.00	$382,484.00	$24,[illegible]00.00	$[illegible]6,710.00
Standard silver dollars	4.00	8.00		6,198.00
Fractional silver coin	148.00	190.00	1,591.00	243.00
United States notes	1,562,960.00	922,471.00	11,956,456.00	2,188,172.00
Treasury notes of 1890	2,000.00	27,570.00	243,422.00	43,357.00
National-bank notes		970,100.00	949,153.00	847,405.00
Gold certificates		5,140.00	75,000.00	3,790.00
Silver certificates	1,641,597.00	1,167,452.00	3,437,621.00	1,359,354.00
Minor coin	22.00	12.07	136.14	25.11
Checks collected through banks	125,212,339.21			
Total	128,633,696.21	3,475,427.07	40,802,198.14	4,615,247.11

Kind.	Boston.	Cincinnati.	Chicago.	St. Louis.
Gold coin	$1,741,843.00	$80,000.00	$137,330.00	$28,835.00
Standard silver dollars	1,079.00			20.00
Fractional silver coin	128.00	40.00	53.00	1.00
United States notes	1,793,361.00	1,323,620.00	4,703,434.60	824,078.00
Treasury notes of 1890	83,236.00	40,500.00	664,893.00	161,175.00
National-bank notes	844,270.00	521,000.00	457,485.00	268,500.00
Gold certificates	6,570.00	7,000.00	7,640.00	3,560.00
Silver certificates	1,592,833.00	1,548,346.00	2,089,743.00	916,936.00
Minor coin	12.38	.44	75.45	40.64
Total	6,063,332.38	3,520,506.44	8,060,648.45	2,203,145.64

Kind.	New Orleans.	San Francisco.	Total.
Gold coin	$25.00	$1,845,836.00	$28,736,491.00
Standard silver dollars	165.00	244.00	7,718.00
Fractional silver coin	226.00	116.00	2,736.00
United States notes	57,340.00	7,850.00	25,339,742.00
Treasury notes of 1890	6,696.00	476.00	1,273,325.00
National-bank notes	12,520.00	1,725.00	4,872,158.00
Gold certificates		200.00	108,900.00
Silver certificates	146,171.00	5,882.00	13,905,945.00
Minor coin	22.06	9.29	350.58
Checks collected through banks			125,212,339.21
Total	223,165.06	1,862,338.29	199,459,704.79

STATE OF THE TREASURY.

From the new loan and the improved revenues the Treasury was enabled, notwithstanding the emergencies of a state of war, to gather the strength which gave to it the independent and commanding position

so necessary to the health and soundness of the financial system of the country.

The improvement is no less marked in the aggregate of available resources than in their character, as the gain in the total holdings may be said to have been almost entirely in the shape of gold, the minor variations in the other assets offsetting each other. Indeed, the position of the Treasury is stronger than is indicated by the figures themselves, for besides the concession made to the demands of the situation in the increase of deposits with the banks, the Department first refused tenders of gold in exchange for paper and afterwards increased the use of gold in its disbursements.

The assets and liabilities of the fiscal branch of the Treasury's business, on June 30, 1898 and 1899, were:

	June 30, 1898.	June 30, 1899.
ASSETS.		
Gold coin and bullion	$166,144,107.90	$249,462,514.92
Silver coin and bullion	15,174,798.99	8,412,600.32
Notes and certificates	54,395,580.38	28,146,908.84
Minor coin and fractional currency	1,248,024.41	272,227.05
Deposits in national banks	38,743,017.17	76,283,655.30
Bonds and interest paid	42,214.32	39,415.82
Total	275,747,803.17	362,617,322.25
LIABILITIES.		
General account	209,282,643.13	284,488,516.20
Agency account	66,465,160.04	78,128,806.05
Total	275,747,803.17	362,617,322.25

The corresponding figures, which follow, for the issue branch of the business show only unimportant changes:

	June 30, 1898.	June 30, 1899.
ASSETS.		
Gold coin and bullion	$37,420,149.00	$34,297,819.00
Silver dollars and bullion	499,763,784.00	499,603,784.00
United States notes	26,675,000.00	21,355,000.00
Total	563,858,933.00	555,256,603.00
LIABILITIES.		
Gold certificates	37,420,149.00	34,297,819.00
Silver certificates	398,556,504.00	406,085,504.00
Currency certificates	26,675,000.00	21,355,000.00
Treasury notes of 1890	101,207,280.00	93,518,280.00
Total	563,858,933.00	555,256,603.00

On a preceding page it was shown that the general Treasury balance, which stood charged to the Treasurer at the close of the fiscal year, was $847,980,559.46. In addition to this the Treasurer had in his custody $78,128,806.05 as depositary of disbursing officers' balances and other funds, besides $1,637,028.65 which has been received in the revenues but not yet covered by warrant, making in all $947,746,394.16 for which he was accountable. Against this he held $917,873,925.25 in cash and credits, which, with $29,872,468.91 in funds classed as unavailable, balanced the account. These figures, with the items composing the totals, are given in the next table, which is a summarized statement of the

assets and liabilities of the Treasury on all accounts at the close of the last two fiscal years:

	June 30, 1898.	June 30, 1899.
ASSETS		
Gold coin and bullion	$203,564,316.90	$283,760,333.92
Silver coin and bullion	514,938,582.99	508,016,384.32
Notes and certificates	81,070,580.38	49,501,908.84
Minor coin and fractional currency	1,248,024.41	272,227.05
Deposits in national banks	38,743,017.17	76,283,655.30
Bonds and interest paid	42,214.32	39,415.82
Total available	839,606,736.17	917,873,925.25
Deposits with States	28,101,644.91	28,101,644.91
Unavailable funds	1,494,372.63	1,494,372.63
Unpaid loss on recoinage	187.51	276,451.37
Total unavailable	29,596,205.05	29,872,468.91
Aggregate	869,202,941.22	947,746,394.16
LIABILITIES.		
General account	775,751,368.11	867,980,559.46
Agency account	66,465,160.04	78,128,806.05
Uncovered moneys	26,986,413.07	1,637,028.65
Aggregate	869,202,941.22	947,746,394.16

THE PUBLIC DEBT.

All of the operations, so far as completed, relating to the new 3 per cent loan, were taken into the accounts of the year, although part of the subscriptions were paid into the Treasury during the month of June, 1898. The total amount of these bonds paid for and prepared for issue was $199,194,360, but, on revision, applications amounting to $516,240 were found to be irregular and the bonds were withheld and the money refunded. The amount of these bonds actually issued up to the close of the year was $198,678,720. Aside from this loan, the most important event affecting the debt was the maturity, which occurred on January 1, of the last of the bonds issued to the Pacific railroads, amounting to $14,001,560; of these, $13,970,560 were presented and paid during the year. The total amount of this class of bonds outstanding on June 30 was $79,000, all past due and bearing no interest.

Refunding certificates of the face value of $3,690, with interest thereon amounting to $2,560, were converted into $6,250 of the 4 per cent bonds of 1907. The other changes in the principal of the debt appear in the subjoined tabulation:

Title.	Rate of interest.	When payable.	June 30, 1898.	June 30, 1899.
	Per cent.			
Funded loan of 1891	2	Option of United States.	$25,364,500.00	$25,364,500.00
Funded loan of 1907	4	July 1, 1907	559,646,050.00	559,652,300.00
Refunding certificates	4	Convertible	41,520.00	37,830.00
Loan of 1904	5	Feb. 1, 1904	100,000,000.00	100,000,000.00
Loan of 1925	4	Feb. 1, 1925	162,315,400.00	162,315,400.00
Ten-twenties of 1898	3	After Aug. 1, 1908		198,678,720.00
Matured loans		On demand	1,262,680.26	1,218,300.26
Old demand notes		do	53,997.50	53,847.50
United States notes		do	346,681,016.00	346,681,016.00
Fractional currency		do	6,884,752.14	6,881,408.66
National-bank notes		do	30,493,147.00	35,817,381.50
Gold certificates		do	37,420,149.00	34,297,819.00
Silver certificates		do	398,556,504.00	406,085,504.00
Currency certificates		do	26,605,000.00	21,325,000.00
Treasury notes of 1890		do	101,207,280.00	93,518,280.00
Total			1,796,531,995.90	1,991,927,306.92

In the table below, the debt is classified with respect to the conditions which affect the payment of the principal:

Condition of payment.	June 30, 1898.	June 30, 1899.
At option of the United States	$25,364,500.00	$25,364,500.00
At maturity, future dates	822,002,970.00	1,020,684,250.00
On demand, without reissue	38,694,576.90	43,970,937.92
On demand, for reissue	447,888,296.00	440,199,296.00
On demand, out of deposits	462,581,653.00	461,708,323.00
Total	1,796,531,995.90	1,991,927,306.92

Exclusive of the certificates and Treasury notes, which are payable out of full deposits in the Treasury, the debt is arranged as follows under the three heads of the ordinary classification:

Class.	June 30, 1898.	June 30, 1899.
Interest-bearing	$847,367,470.00	$1,046,048,750.00
Matured	1,262,680.26	1,218,300.26
Bearing no interest	384,112,912.64	389,433,653.66
Total	1,232,743,062.90	1,436,700,703.92

PAPER CURRENCY IN CIRCULATION.

The United States notes in circulation June 30, 1898, amounted to $286,572,329, the Treasury notes to $98,665,580, and the silver certificates to $390,659,080. These amounts became, June 30, 1899, of United States notes, $310,547,349; of Treasury notes, $92,605,792; and of silver certificates, $401,869,343. The national-bank notes in circulation at the beginning of the fiscal year were $223,129,703 and at its close were $237,832,594. The paper in circulation was thus increased during the year by $43,828,386. By reason of these changes in Government paper, the holdings of the Treasury in its ten offices fell, in United States notes, from $34,063,687 June 30, 1898, to $15,278,667 June 30, 1899; in Treasury notes from $2,541,700 to $912,488 at the same dates; and silver certificates from $7,897,424 to $4,216,161.

RETIREMENT OF TREASURY NOTES.

The redemption of Treasury notes of 1890 went forward during the year. The amount outstanding was, at the highest for the close of any month, $153,453,629, November, 1893. The retirement since that date has been steady, bringing the sum outstanding to $101,207,280 at the close of June, 1898, and to $93,518,280, June, 1899. For these notes retired silver dollars were paid out of the Treasury, which were either put into circulation or treated as a basis for the issue of silver certificates. The process therefore was not a contraction of the currency, but only a change of form to this extent.

REDUCTION OF PAPER IN THE TREASURY.

This reduction in the total of paper held by the Treasury from $44,502,811 to $20,407,316, was caused by the payment of Government obligations to creditors in that form, and by the receipt of revenue in increasing measure in gold coin. The Treasury was thus brought to the minimum of such currency required for its daily business.

VOLUME OF GOVERNMENT PAPER RESTRICTED.

As the volume of United States notes is limited by statute, of Treasury notes by the bullion and resultant dollars, and of silver certificates by the standard dollars against which they are issued, this office was prevented from making favorable response to requests for notes or certificates, except for redemption or exchange in kind. The request was in most cases for small denominations. This office had taken the precaution to lay by a liberal supply of small notes, and always sent them out in kind in redemption of unfit currency and in exchange for large denominations. The Treasury spared no effort to meet the demands of business.

SMALL DENOMINATIONS CALLED FOR.

These transactions reached very liberal proportions and, with the payments in small notes for warrants, led to the changes which appear in the table attached. The great increase in gold coin and in paper of denominations of $20 and under is noteworthy. The change in paper marks the efforts of the Treasury to respond to the demand for small notes. Comparison is made for four consecutive years:

Denomination.	September 30—			
	1896.	1897.	1898.	1899.
Gold coin	$478,771,490	$528,098,753	$622,640,812	$646,561,185
Paper currency:				
One dollar	46,090,748	47,388,215	51,643,535	57,810,855
Two dollars	30,742,360	30,436,596	[illegible]	5,983,321
Five dollars	279,812,149	[illegible]	[illegible]	291,845,505
Ten dollars	304,921,106	302,691,417	[illegible]	24,244,112
Twenty dollars	211,389,620	207,524,076	219,279,106	251,872,486
Total twenty dollars and under	872,955,983	861,434,826	903,090,863	961,756,279
Fifty dollars	39,948,215	43,625,865	50,452,390	60,229,015
One hundred dollars	79,773,270	80,819,070	60,382,470	68,990,170
Five hundred dollars	10,043,500	19,373,500	19,353,500	21,647,500
One thousand dollars	89,255,500	89,678,500	68,053,500	68,923,500
Five thousand dollars	6,540,000	6,620,000	5,855,000	14,630,000
Ten thousand dollars	46,800,000	65,450,000	29,960,000	42,810,000
Total fifty dollars and over	272,360,485	305,566,935	234,056,860	277,231,085
Aggregate paper	1,145,316,468	1,167,000,761	1,137,147,723	1,238,987,364
Unknown, destroyed	1,000,000	1,000,000	1,000,000	1,000,000
Net paper	1,144,316,468	1,166,000,761	1,136,147,723	1,237,987,364

The gold coin, all in denominations of $20 or below, steadily increased from $478,771,490, September 30, 1896, to $646,561,185, on the same date of 1899. In the small notes there was a shrinkage from 1896 to 1897 of $11,522,157, but from 1897 to 1898 the increase was $41,657,037, while from 1898 to 1899 the amount ran up by $58,665,416. During that year, if we count coin and paper, the increase of these small denominations is found to be $82,576,789. To the total circulation in paper within the same year an addition was made of $101,839,641, and of this $43,174,225 was in the larger denominations. It is fair in reckoning the total circulation to include the addition in gold for the year, which was $23,911,373, and raises the total increase to $125,751,014.

Much of the exchange of currency was made by deposits with the assistant treasurer in New York, paid for by other offices, and chiefly

by shipment to various points from Washington. During the fiscal year 1899 these transactions were:

DEPOSITS WITH THE ASSISTANT TREASURER UNITED STATES, NEW YORK, FOR SHIPMENTS.

Kind of money.	Received, New York.	Paid.			
		Washington.	Chicago.	St. Louis.	New Orleans.
Gold coin	$22,330,000				$1,400,000
United States notes	1,057,000	$12,386,000	$625,000	$280,000	1,951,200
Treasury notes of 1890	45,000	1,837,000			312,100
Silver certificates	50,000	1,934,000		120,000	2,636,700
Total	23,482,000	16,157,000	625,000	400,000	6,300,000

MOVEMENT OF SILVER.

In the fiscal year 1898 the ten Treasury offices paid out in standard dollars $40,832,149, and in the fiscal year 1899, $42,532,296, an increase of $1,700,147. At the same time in 1898 the receipts in standard dollars were $54,007,934, and in 1899, $37,581,040, a decrease of $16,426,894. These changes indicate that these coins remain in circulation in growing degree.

The maximum of silver dollars in circulation at the close of any month was reached in December, 1890, as the result of urgent efforts to promote their use, when the record was $67,547,023. The minimum since that date appears in July, 1894, at $50,959,540. July 1, 1898, of these standard dollars, the sum in circulation was $57,259,791, which became $63,381,751 on July 1, 1899, and on September 30, 1899, $68,755,243. A new maximum was attained November 14, when the volume was $71,936,815.

FRACTIONAL SILVER COIN.

The Treasury in its several offices received in fractional silver in 1898 $31,406,047, and in 1899 $36,593,199, while they disbursed in 1898 $32,879,730, and in 1899 $40,189,375. The estimated stock of fractional silver ranged above $80,000,000 from July, 1881, to August, 1883, and during that period the amount in circulation was from $54,311,108 to $52,190,792. The stock has never been so high since and was $76,421,429 June 30, 1898, and $76,746,179 June 30, 1899. The amount in circulation ran up to $67,327,267 in December, 1892, was $64,323,747, July 1, 1898, and July 1, 1899, $70,675,682, becoming on October 1, 1899, $74,045,762, and on November 1, $76,173,164, the highest ever reached.

The Treasury held as much as $31,694,365 in fractional silver coin in June, 1885, but has been paying it out freely as called for. The Mint has been active and efficient in this as in other forms of coinage, and turned out for the fiscal year $9,466,877.65. Yet June 30, 1898, only $12,097,682 remained in the Treasury, and on June 30, 1899, only $6,070,497.

MINOR COIN.

Activity akin to that which has prevailed in other kinds of currency has ruled in minor coin (1 cent and 5 cent pieces). The Treasury received in this form in the fiscal year 1898 $3,386,101, and in 1899 $1,094,681, and disbursed in 1898 $3,467,915, and in 1899 $5,001,986. The difference between inflow and outgo measures the amount which

is kept for use in the marts of trade. The demand was so active that the minor coin in the Treasury fell from $1,300,224 to $244,104 between the beginning and the end of the fiscal year 1899.

SHIPMENT OF MINOR COIN FROM EACH OFFICE OF THE TREASURY AND MINT, DURING THE FISCAL YEAR 1899.

Office.	Amount.	Expense of transportation.
TREASURY.		
Washington	$79,000	$1,238.60
Baltimore	8,075	91.75
New York	440,519	4,400.50
Philadelphia	177,450	1,774.50
Boston	91,915	918.15
Cincinnati	221,440	2,490.90
Chicago	550,757	5,823.03
St. Louis	245,794	4,950.93
New Orleans	35,720	478.91
San Francisco	290	5.85
MINT.		
Philadelphia	276,023	4,185.98
Total	1,926,983	26,359.10

THE USE OF GOLD COIN.

From the close of 1887 payments of customs at New York were less than 1 per cent in gold coin until July, 1893, and then for seven months the percentage of gold coin ranged from 58.1 per cent to 17 per cent. After January, 1894, payments in gold for this purpose were nominal, but in December, 1897, were 9.7 per cent, and in March, 1898, were 17.6 per cent, from which date the flow of gold rose rapidly to 78 per cent in September, to 80.2 in December, 85.9 in April, 1899, to 90.3 in August, and in September, 91.5. The percentage of gold for the whole fiscal year 1898 was 20.4, for 1899, 78.5, and for the first quarter of 1900 it was 84.5.

The payments for customs are not exceptional in their exhibition of the growth in the use of gold coin. In all Government transactions such growth has been rapid and pronounced. In the fiscal year 1898 gold coin was taken for 10.03 per cent of the receipts, amounting to $2,076,736,587, and given for 11.83 per cent of the disbursements, amounting to $2,195,973,013, while in 1899 the receipts of $2,393,199,747 showed 37.6 per cent and the disbursements of $2,371,283,629 35.37 per cent in gold coin. This share is set forth in the annexed figures:

RECEIPTS AND DISBURSEMENTS OF GOLD COIN.

	1898.	1899.
RECEIPTS.		
Customs	$28,492,469	$134,851,752
Internal revenue	405,645	903,832
Miscellaneous	1,610,931	8,246,834
Disbursing officers	855,800	12,956,386
Post-Office Department	1,294,430	7,753,316
Transfers	59,178,763	337,818,818
Gold bars	9,072,614	8,502,661
Standard silver dollars	943,390	1,604,595
Fractional silver coin	1,317,075	3,108,416
Minor coin		296,434
Redemption and exchange	51,327,713	10,822,065
Special customs deposit	52,440,756	345,545,301
Loan of 1898	1,364,805	27,369,610
Total	208,304,391	899,780,020

RECEIPTS AND DISBURSEMENTS OF GOLD COIN—Continued.

	1898.	1899.
DISBURSEMENTS.		
Warrants and checks	$4,073,170	$13,465,383
Disbursing officers	141,166,925	565,547,668
Post-Office Department	1,474,760	8,033,495
Transfers	2,815,831	1,996,293
Redemption and exchange:		
Gold coin	45,569,960	3,627
Standard silver dollars		10,000
Fractional silver coin	1,175,142	2,337,871
United States notes	22,301,710	13,148,773
Treasury notes of 1890	2,696,253	999,613
National bank notes		
Gold certificates	238,130	2,235,176
Silver certificates		210,000
Minor coin	11,508	71,297
Clearing-house balances	38,180,000	230,601,000
Total	259,703,389	838,660,196

For the quarter from July 1 to September 30, 1899, it will be seen of the Government receipts 38.5 per cent was in gold, and of the disbursements, 35.2 per cent, according to the subjoined statement:

QUARTER FROM JULY 1 TO OCTOBER 1, 1899.

Receipts.	Amount.	Disbursements.	Amount.
Customs	$39,177,633	Warrants and checks	$4,826,708
Internal revenue	463,066	Disbursing officers	180,840,450
Miscellaneous	837,033	Post-Office Department	4,400,724
Disbursing officers	5,884,977	Transfers	7,436,326
Post-Office Department	2,529,356	Redemption and exchange:	
Transfers	78,151,222	Standard silver dollars	50,000
Gold bars	2,858,826	Fractional silver coin	1,301,687
Gold certificates	12,320,000	United States notes	2,699,569
Standard silver dollars	1,050,520	Treasury notes of 1890	730,742
Fractional silver coin	2,160,720	Gold certificates	5,655,530
Minor coin	253,925	Silver certificates	1,300,000
Redemption and exchange	50,869,863	Minor coin	110,372
Special customs deposit	98,824,345	Clearing-house balances	36,972,000
Total	295,381,486	Total	246,324,108

Table 45, page 124, records the natural and healthy growth of gold coin in circulation for twenty-one years. From $84,739,774 at the end of June, 1878, the figures ascend with rare recessions, but the advance has been especially large since the beginning of the fiscal year 1898, when the gold in circulation was $519,146,675, and at the close of that year was $660,959,880, and the amount rose to $702,060,459 on July 1, 1899. By October 1, 1899, it had become $646,561,185.

The general stock of gold coin which was $765,735,164 on June 30, 1898, rose to $855,583,055 by June 30, 1899, and to $875,450,989 by November 1.

While so large a share of the Government disbursements was made in gold, the holdings of the Treasury in gold coin and bullion have surpassed all previous experience, both in gross amount and net balance. The former gross maximum is found September, 1888, at $332,551,306, and the net maximum before 1898 was $218,818,253, in March, 1888. On June 30, 1898, the gross gold in the Treasury was $202,825,049, and the net gold was $167,004,410. These figures rose June 30, 1899, to $273,393,480 gross and $240,737,211 net. They advanced still farther

up to $353,002,380 gross and $254,328,821 net, September 30, 1899. On October 31 the gross gold was $379,817,316, while the net holdings were $252,223,737.

These statistics make plain the strong tendency to an increase in the use of small denominations and of standard dollars, fractional silver, and minor coin. Gold coin did not take the place of other currency, but was added to the kinds of money in circulation. This addition was not forced by the Treasury, but was made in response to business demands and necessities. It was an inflation of considerable proportions, degrading no part of the currency, which is all kept at par with gold, and no reaction is threatened while that solid basis shall be maintained.

PERCENTAGE OF GOLD TO CIRCULATION AND TO LEGAL-TENDER NOTES.

Calculations based upon the figures in the tables in the appendix present the gold coin in circulation to be 33.18 per cent of all the currency October 1, 1899.

The net gold in the Treasury on the same date was 60.44 per cent of the amount of the United States notes and Treasury notes then outstanding.

INCREASE OF GOLD RESERVE.

These resources make it easy to establish a permanent and adequate gold reserve by law. The minimum of $100,000,000 of gold reserve has under the pressure of necessity been trenched upon on several occasions. The statutes had provided no definite assurance for it, and the Department yielded to apparent exigency and drew upon it. The treatment has been different of funds recognized as set apart for a specific object. The United States notes held against the certificates of June 8, 1872, for which they were issued, the gold coin pledged for gold certificates, and the standard dollars for silver certificates have always been kept sacred in the vaults of the Government as such security.

In the same way statutes may provide for a definite reserve in gold to insure the gold standard for our circulation. No addition to the roll of officers will be necessary, no expense of separate vaults in Washington or the subtreasuries, no array of books for the particular fund at all these offices. The law itself can protect the fund as effectually as locks and bars.

If the present restrictions on the volume of paper currency are retained, a fund of $150,000,000 in gold, devoted by law to the purpose, would prove a perpetual guaranty of safety. Both classes of legal tenders, United States notes and Treasury notes, would stand for gold even in the apprehensions of the most timid. The entire circulating medium would be lifted to the same plane and kept there.

The legal tenders once redeemed in gold should not again be paid out except for gold, as President McKinley has wisely recommended. The reserve would thus be self-sustaining. With the present wealth of the yellow metal in the Treasury and in circulation, the establishment of the fund could hardly lead to contraction of the currency to any inconvenient degree.

CALL FOR MORE MONEY.

The wise judgment of the best financiers condemns every suggestion to add to the demand obligations of the Government, except in the case of gold certificates issued dollar for dollar against coin actually in the Treasury. Yet urgent appeals for notes and silver certificates have

been frequently addressed to the Treasury regardless of the legal inhibition of additional issue. Not as a matter of disposition or convenience, but of statutory obligation, the Treasury could give no favorable answer. It constantly went to the limit of its powers.

There was then, however, and is now, a source from which $5 and $10 notes could be provided in abundance, if those to whom the law gives authority to put them out chose to do so. The existing national banks of the United States have the right under their charters to add $345,020,413 to their circulation. They are deterred by the high price of United States bonds taken at only 90 per cent of their face, the tax on circulation, and the consequently small profits or absolute loss consequent to the issue of notes. Thus the need for small currency is not met. Figures condensed from statistics furnished by the Comptroller of the Currency for June 30, 1899, make plain the capacity under the law to add to the volume of circulating notes of banks. In the geographical groups adopted by him the increase possible may be seen:

Group.	Capital.	Present circulation.	Authorized circulation.	Possible increase.
New England States	$144,028,970	$48,173,141	$129,626,073	$81,452,932
Eastern States	190,175,175	70,265,519	171,157,657	100,892,138
Southern States	83,943,765	21,063,265	57,549,389	36,486,124
Middle States	157,474,317	47,353,602	141,726,886	94,373,284
Western States	29,906,100	8,631,245	26,915,490	18,284,245
Pacific States	19,337,000	3,871,610	17,403,300	13,531,690
Total	604,865,327	199,358,382	544,378,795	345,020,413

If a few States and two great cities are taken for illustration, the national banks were entitled to add to their outstanding notes these vast sums: New York State, $41,702,280; Illinois, $25,118,380; Ohio, $23,690,020; Pennsylvania, $37,682,130; New York City, $29,181,680; Chicago, $15,925,700. The aggregate capital stock of these banks was $209,357,413, and circulation was $81,164,603.

In Chicago, as a great center of trade and finance, the requirement for currency is on the broadest scale; yet the national banks of that city have a right under their charters to put out $15,925,700 additional circulation. For itself and its correspondents, New York has very often sought for more paper, while its national banks have the legal power to add $29,181,680 to their circulation at once. The assertion is loud and persistent that the Western States are suffering by reason of the lack of currency. At the same time in these States, including the Dakotas, Nebraska, Kansas, Montana, Wyoming, Colorado, and the Territories of New Mexico, Oklahoma, and the Indian Territory, the national banks could under the law issue additional notes to the amount of $18,284,245.

No criticism of the officers of these institutions is intended, but it is vital to the cause of sound money that clamor for more Government paper should find no excuse in existing conditions. The friction has been due to casting the burden on the Treasury which does not belong there. The natural avenue of relief is through the national banks. In the absence of individual motive or the coercion of law, it may be well doubted whether they can be expected to furnish such relief.

But it is fair to point out that the Treasury, in this as in previous seasons, has striven to the utmost to meet the demands for currency for moving the crops and for general business. It has exhausted all its resources, and these ought not to be increased by more Government issues. The vast inflow of gold into circulation has been an unmixed blessing, and helped every industrial and financial interest. This is a

legitimate and a permanent contribution to our money. It is likely to continue and to grow.

Beyond such increase in gold coin, the national banks must solve the problem of adding to the volume of currency. Thus far the concentration of opinion in favor of any radical change in our banking system has not been of such force as to compel legislation.

The question presses with a growing force and invites to serious consideration.

A discussion of a change in the provisions of law for bank notes does not belong here, and may confidently be left to those charged with it. As public opinion shall become crystallized and financiers reach an agreement, the statutes will express the decision of the people.

GOLD CERTIFICATES.

The statistics of gold certificates may be studied in various tables in the appendix. On April 14, 1893, instructions were issued by the Treasurer of the United States to the assistant treasurers, under authority of Secretary Carlisle, to this effect:

> You will discontinue for the present, or until further advice, the issue of gold certificates in payments or in exchange for gold coin.
>
> The suspension of the issue of gold certificates is due to the gold balance having practically reached the limit or reserve of gold coin held for the redemption of United States notes, and it is deemed best not to issue the certificates in exchange for gold coin for the reason that in most instances the certificates are wanted as a convenience, and when they can not be procured United States notes or other paper issues will be taken instead.

The consequence was that in that year the output was only $13,070,000, while the redemptions were $76,822,740. No formal change of this order was promulgated, but in 1894 the output was $100,000 and the redemptions $26,558,290. In 1895 these were respectively $120,000 and $18,037,940. In 1896 such certificates were issued for $4,855,000 and were redeemed for $10,506,720. The issue in 1897 was only $10,000, and none at all were put out in 1898.

On the 7th of August, 1899, the outstanding gold certificates were $32,587,349. On that day, by direction of the Secretary of the Treasury, the issue was resumed, and the certificates outstanding rose to $68,688,989 at the close of the month, to $98,673,559 September 30, and to $127,593,519 October 31.

During the interval these certificates were issued to the amount of $156,052,640, of which $83,063,220 were paid for gold coin and $72,989,420 in the disbursements of the Treasury. In the mean time in the receipts of the Treasury appeared $62,022,250 in gold certificates.

The subjoined table records the transactions of this kind in the several Treasury offices:

Office.	Receipts.	Disbursements.		
		For gold coin.	Miscellaneous.	Total.
Washington	$458,190	$1,859,220	$3,126,560	$4,985,780
Baltimore	1,945,280	2,161,900	193,000	3,564,900
New York	46,206,090	35,854,450	56,506,250	92,360,700
Philadelphia	3,044,820	7,000,400		7,000,400
Boston	2,459,270	6,171,560	3,128,090	9,299,650
Cincinnati	450,300	636,560	813,840	1,450,400
Chicago	1,773,060	10,785,950	8,022,080	18,808,030
St. Louis	3,095,870	7,155,800	355,010	7,510,810
New Orleans	1,943,220	921,200	314,190	1,235,390
San Francisco	646,050	9,216,180	620,400	9,836,580
Total	62,022,250	83,063,220	72,989,420	156,052,640

The rapidity of outgo is a notable feature in this record. In the following figures, which present the denominations outstanding, the large share of certificates for less than $1,000 each testifies to their use as currency. It will be observed by comparison with table 32, page 82, in the appendix, that in no previous year was the volume of these denominations outstanding and in Treasury cash as great as now, when, October 31, the amount was:

Twenty dollars	$41,223,164
Fifty dollars	16,631,155
One hundred dollars	17,524,300
Five hundred dollars	9,813,000
One thousand dollars	26,726,500
Five thousand dollars	14,385,000
Ten thousand dollars	26,135,000
Total	152,438,119

COMPARATIVE ESTIMATE OF MONETARY STOCK.

According to the revised and final estimate of the Director of the Mint, the total metallic monetary stock of the country on June 30, 1898, was $1,499,187,523, of which $861,514,780 was gold. For June 30, 1899, the total is placed at $1,602,152,248, and the gold at $962,865,505. The aggregate monetary material, both metallic and paper, and the distribution of each component between the Treasury and the circulation, at the two dates, are exhibited in the following tabular statement:

Kind.	In Treasury and mints.	In circulation.	Total stock.
June 30, 1898.			
Gold coin and bullion	$203,619,315	$657,895,465	$861,514,780
Silver dollars and bullion	504,376,887	57,168,246	561,545,133
Fractional silver coin	12,070,690	64,056,920	76,127,610
Total metallic	720,066,892	779,120,631	1,499,187,523
United States notes	62,111,994	284,569,022	346,681,016
Treasury notes of 1890	2,900,843	98,306,437	101,207,280
National-bank notes	4,909,189	222,990,988	227,900,177
Gold certificates	1,605,560	35,811,589	37,420,149
Silver certificates	8,429,994	390,126,510	398,556,504
Currency certificates	1,110,000	25,565,000	26,675,000
Total paper	81,070,580	1,057,369,546	1,138,440,126
Aggregate	801,137,472	1,836,490,177	2,637,627,649
June 30, 1899.			
Gold coin and bullion	283,127,455	679,738,050	962,865,505
Silver dollars and bullion	502,600,703	61,819,488	564,420,191
Fractional silver coin	5,800,728	69,065,824	74,866,552
Total metallic	791,528,886	810,623,362	1,602,152,248
United States notes	38,329,174	308,351,842	346,681,016
Treasury notes of 1890	956,516	92,561,764	93,518,280
National-bank notes	3,545,432	237,805,439	241,350,871
Gold certificates	1,641,900	32,655,919	34,297,819
Silver certificates	3,948,887	402,136,617	406,085,504
Currency certificates	1,080,000	20,275,000	21,355,000
Total paper	49,501,909	1,093,786,581	1,143,288,490
Aggregate	841,030,795	1,904,409,943	2,745,440,738

The figures relating to the amount and location of the circulating medium on October 30 are remarkable in several particulars. Not only does the aggregate supply, as well as the proportion of gold, exceed all

former records, but the amount of gold for the first time rises above a thousand million. The total amount of money in the hands of the people or of their depositaries is also greater than at any previous time. While the amount of gold actually outside of the Treasury is less than it was at any time during the preceding year, the total belonging to the people, and represented, in the absence of the coin itself, by gold certificates, amounts to $762,244,252, which likewise surpasses all precedents. The full table is given below:

Kind.	In Treasury and mints.	In circulation.	Total stock.
Gold coin and bullion	$379,817,316	$634,650,733	$1,014,468,049
Silver dollars and bullion	491,119,666	71,361,740	565,481,406
Fractional silver coin	2,379,613	76,173,164	78,552,777
Total metallic	876,316,595	782,185,637	1,658,502,232
United States notes	29,416,350	317,264,666	346,681,016
Treasury notes of 1890	934,386	88,893,894	89,828,280
National-bank notes	3,999,431	239,067,193	243,066,624
Gold certificates	24,841,600	127,593,519	152,438,119
Silver certificates	5,657,265	394,976,239	400,633,504
Currency certificates	30,000	13,735,000	13,765,000
Total paper	64,882,032	1,181,530,511	1,246,412,543
Aggregate	941,198,627	1,963,716,148	2,904,914,775

INCREASE IN PER CAPITA OF CIRCULATION.

The expansion of the circulation since the resumption of specie payments has been so great, and recently so rapid, that it has outstripped the growth of the population. Reactions have occurred only in periods of depression in business, or of doubt in the future monetary policy of the Republic. Not only has the aggregate of the money in the pockets, safes, and banks of the people been increasing, but the average share of each person has been enlarged.

On July 1, 1860, before the war, the currency of gold, subsidiary silver, and State bank notes in circulation averaged $13.85 for each head of population. This was slightly increased by next year, before the war of the rebellion had fully developed. In 1862, when the Government issue of paper was in its beginning, the per capita circulation declined to $10.23. The utmost reached by the paper inflation which then followed was $20.57, in 1865, with gold at 140 and 142. From this point there was a gradual and almost uninterrupted decline until in 1878, just before the resumption of specie payments, the amount per capita was only $15.32. By next year, when the success of the plan of resumption was assured, this amount had already been increased to $16.75, and at the end of the ensuing four years reached $22.91. After unimportant fluctuations there was a depression to $21.82 in 1886, from which there was a recovery until 1892, when $24.44 was attained. With the ensuing financial troubles came a period of contraction, which carried the figures down to $21.10. From this point there was a rapid recovery to $24.66 in 1898, and to $25.01 in 1899. On November 1 the per capita circulation was $25.69, an average not only the greatest in our history, but greater than that of any European country, with the exception of France.

ANTICIPATION OF NOVEMBER INTEREST.

In order to set free the money in advance, the interest on Government bonds due on the 1st of November was anticipated. Payment of the coupons was authorized on the 16th of October, while checks for

the interest on the registered 3 per cent loan were sent out on the 23d, and for that on the 5 percents of 1904 and the 4 percents of 1925 were mailed on the 25th of that month. The amounts involved were:

Title.	Rate of interest.	Registered.	Coupon.	Total.
	Per cent.			
Loan of 1898	3	$758,110.95	$731,979.45	$1,490,090.40
Loan of 1904	5	849,148.12	400,851.88	1,250,000.00
Loan of 1925	4	1,155,325.00	467,829.00	1,623,154.00
Total		2,762,584.07	1,600,660.33	4,363,244.40

THE COINAGE.

The heavy exports of gold in the four years beginning with 1893, which amounted to $364,000,000, had the effect of practically renewing the coinage of that metal. In like manner, the increasing demand for small change has required unusual activity in the recoinage of subsidiary silver and minor coins. The existing stock of all the kinds of metallic money is therefore unusually free from worn and abraded pieces. The amounts of gold and silver coins transferred during the year from the Treasury to the mints for recoinage, together with the loss thereon, are exhibited in the following table:

Denomination.	Amount.	Loss.
Double eagles	$107,380.00	
Eagles	79,780.00	
Half eagles	164,940.00	
Quarter eagles	6,367.50	
Three-dollar pieces	81.00	
One-dollar pieces	86.00	
Total gold	358,634.50	$2,747.81
Half dollars	3,756,971.50	
Quarter dollars	4,250,540.25	
Twenty-cent pieces	621.80	
Dimes	1,181,891.00	
Half dimes	2,858.90	
Three-cent pieces	208.63	
Total silver	9,193,092.08	525,456.28
Aggregate	9,551,726.58	528,204.09

Of uncurrent minor coins $190,667 were transferred to be recoined or cleaned.

SPURIOUS AND FRAUDULENT ISSUES.

While there has been a continued improvement in the condition of the paper currency with respect to counterfeits, the silver and minor coinage shows a marked deterioration in this regard. The counterfeit silver coins detected at the offices of the Treasury during the year represented $4,417.15, as compared with $2,483.40 in 1898. There was an increase in each denomination, but it was greatest in the dollar pieces, of which the amount was more than doubled. Criminal activity in this field is doubtless stimulated by the low price of silver, which enables the counterfeiter profitably to produce work but little inferior to that of the mint. In copper and nickel pieces the increase of fraud which appears to have begun about 1897 has continued, and the number of

these coins rejected as bad at the Treasury offices during the year reached 89,928, as compared with 10,250 in 1896.

Although the amount represented was only $1,012.36, as all but 2,827 of the pieces were cents, there is still some significance in the fact that 10 per cent in nominal value of all the bad money in circulation is in the lowest denomination of coin. An equal number of new cents would weigh nearly 600 pounds avoirdupois.

A table of the counterfeit silver and minor coins, by denominations, detected at the Treasury offices follows:

Denomination.	Silver coins.	United States notes.	National-bank notes.	Silver certificates.	Treasury notes of 1890.	Fractional currency.	Total.
Ten cents	$332.40	.....	.....	.....	.....	$0.30	$332.70
Twenty-five cents	638.75	.....	.....	.....	.....	11.50	650.25
Fifty cents	1,050.00	.....	.....	.....	.....	258.00	1,308.00
One dollar	2,396.00	$8.00	.....	$5.00	.....	.....	2,409.00
Two dollars	.....	24.00	$58.00	532.00	$56.00	.....	670.00
Five dollars	.....	200.00	365.00	70.00	.....	.....	635.00
Ten dollars	.....	540.00	640.00	100.00	20.00	.....	1,300.00
Twenty dollars	.....	680.00	440.00	.....	.....	.....	1,120.00
Fifty dollars	.....	600.00	50.00	.....	.....	.....	650.00
One hundred dollars	.....	200.00	200.00	100.00	.....	.....	500.00
Total	4,417.15	2,252.00	1,753.60	807.00	76.00	269.80	9,574.95

Now and then a counterfeit gold piece, or a genuine piece that has been tampered with, is seen, but the number is not large. Six spurious compound-interest notes, for $310 in all, were detected at this office.

TRUST FUNDS.

The appearance of the new 3 per cent bonds in the market, together with the increase of the public deposits with national banks, naturally occasioned a good deal of shifting of the securities held in trust for the banks, as well as a considerable increase in amount. During the year there were deposited bonds amounting to $67,060,740 to secure circulation, and $68,676,580 to secure deposits, while $57,574,030 were withdrawn from the former account and $29,278,140 from the latter. Bonds were received from 73 new banks on account of circulation, and those of 108 banks retiring from business were surrendered. Two hundred new depositaries were designated and 18 were discontinued. The kind and amounts of the bonds remaining on hand at the close of the year are shown below:

Kind of bonds.	Rate of interest.	To secure circulation.	To secure deposits.	Total.
	Per cent.			
Funded loan of 1891, continued	2	$20,557,600	$1,382,500	$21,940,100
Funded loan of 1907	4	128,241,300	25,990,100	154,231,400
Loan of 1925	4	17,632,750	9,023,500	26,656,250
Loan of 1904	5	14,252,100	8,278,000	22,530,100
Ten-twenties of 1898	3	49,004,360	25,500,840	74,505,200
Bonds of the District of Columbia	3.65	.....	75,000	75,000
Total	.....	229,688,110	70,249,940	299,938,050

Part of the bonds belonging to banks in the city of New York and held as security for public deposits were kept, for convenience, by the assistant treasurer in that city.

On January 6, 1899, $242,000 in United States and Western Pacific bonds which remained in the sinking fund of the Central Pacific Rail-

road were by direction delivered to the Secretary of the Treasury for disposition under the contract with the purchasers of the last-named road. On February 18 following there were received twenty promissory notes of the Central Pacific Railroad Company for as many equal parts of the aggregate sum of $58,812,715.60, bearing interest at 3 per cent, and maturing at successive intervals of six months from February 1, 1899, but payable before maturity. By direction of the Secretary, on March 3, the first four notes were delivered to him for payment, leaving $47,050,172.48 in notes on hand. In accordance with the contract the reorganization committee of the road, on October 7, deposited $47,056,000 of the first-mortgage bonds of the Central Pacific Railway Company as collateral security for the notes.

The bonds and stocks described in the following list, which formerly belonged to the Indian trust fund and were later transferred to the Secretary of the Treasury, are held over without change from the previous year:

Kind.	Amount.
Arkansas State bonds	$160,000.00
Louisiana State bonds	37,000.00
North Carolina State bonds	58,000.00
Tennessee State bonds	335,666.66⅔
Virginia State bonds	581,800.00
Chesapeake and Ohio Canal bonds guaranteed by Virginia	13,000.00
South Carolina State stocks	125,000.00
Florida State stocks	132,000.00
Total	1,442,466.66⅔

United States bonds as set out below are held under specific provisions of law for private institutions:

Institution.	Rate of interest.	Amount.
	Per cent.	
American Printing House for the Blind	4	$250,000
Manhattan Savings Institution	4	75,000
North American Commercial Company	2	50,000
Total		375,000

A special deposit of $70,000 of United States 4 per cent bonds is held in the name of the Comptroller of the Currency for the benefit of the Fidelity National Bank, of Cincinnati.

Captured bonds of the State of Louisiana, of the face value of $545,480, are held for the Secretary of War.

DISTRICT OF COLUMBIA.

Under the authority contained in the act of Congress approved June 11, 1878, the duties of the sinking fund commissioners of the District of Columbia were transferred to the Treasurer of the United States. Subsequent acts have increased these duties until the business of the sinking fund office is quite extensive, and is of varied character, as fully set forth in a separate report.

The funded debt of the District on July 1, 1878, was $22,106,650 and has been increased since that date $1,223,550 by the issue of 3.65 per cent bonds. The decrease by the operations of the sinking fund and

otherwise was $7,442,000, making a net reduction of the debt since July 1, 1878, of $6,218,450. This leaves outstanding June 30, 1899, $15,888,200. The reduction of the annual interest charge during the same period was $400,808.47.

A comparison of the cost for interest and redemption of the water-stock bonds with and without a sinking fund shows a difference in favor of the sinking fund of $255,670.04.

At the close of the fiscal year 1899 the 10 per cent guaranty fund held for account of District contractors amounted to $261,686.49, and was credited to 140 separate contracts. Of this sum $233,034.95 is invested in bonds purchased at the request and risk of the contractors.

The securities of the District in the care and custody of the Treasurer are:

3.65 per cent bonds (unsigned)	$5,828,450
3.50 per cent bonds (unsigned)	2,924,600
Chesapeake and Ohio Canal bonds	84,285
Bonds for account of District of Columbia contractors	207,710
Total	9,045,045

REDEMPTION OF NATIONAL-BANK NOTES.

Although there was an increase of $13,000,000 during the year in the volume of national-bank notes in circulation, the redemptions at this office were less by $7,000,000 than the year preceding. Both facts may be attributed to the general conditions of business. The deposits for the retirement of notes amounted to $23,699,616, and the balance of this fund in the Treasury was increased from $30,193,147 to $45,817,381.50. Inclusive of $30,725 paid for transportation, the total expenses for the year were $121,291.40, which sum has been assessed upon the banks at the rate of $1.34611 for each $1,000 of notes redeemed.

In the appendix, in addition to the tables continued from former reports, will be found one which shows the percentage of the outstanding notes redeemed each year for each State and Territory from the establishment of the redemption system in Washington. The results given are based upon the records of this office and the amounts of notes reported by the Comptroller of the Currency to be outstanding on October 31 in each year.

THE WORK OF THE TREASURER'S OFFICE.

The transactions which have been related, so varied and so vast, were conducted with rare accuracy and promptness, and offer the best proof of the capacity, fidelity, and efficiency of the officers, chiefs of division, clerks, counters, and employees of every grade in this office. They deserve and receive my cordial thanks for their admirable services.

Respectfully,

ELLIS H. ROBERTS,
Treasurer of the United States.

Hon. LYMAN J. GAGE,
Secretary of the Treasury.

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REPORT OF THE DIRECTOR OF THE MINT.

TREASURY DEPARTMENT,
BUREAU OF THE MINT,
Washington, D. C., December 4, 1899.

SIR: I have the honor to herewith submit the twenty-seventh annual report of the Director of the Mint, covering the operations of the mints and assay offices of the United States for the fiscal year ended June 30, 1899, with such available statistics for the fiscal year as may be valuable in connection therewith:

The mints and assay offices operated upon more bullion in the aggregate, and a greater coinage was executed, than in any previous year. Original deposits of gold were slightly less than during the previous year, amounting in value to $143,497,190.65, against $147,693,194.83 in the fiscal year ended June 30, 1898. Domestic deposits were the largest in our history, amounting to $76,252,487.23, against $69,881,120.57 in the preceding year, but there was a falling off in foreign coin and bars.

The coinage of gold was the greatest in our history, amounting to $108,177,189, against $64,634,865 in the preceding year, and might have been considerably larger if the capacity of the mints had been greater. The coinage of silver dollars from bullion purchased under the act of July 14, 1890, was $18,254,709, against $10,002,780 in the preceding year, and the coinage of subsidiary silver $9,466,877.65 against 6,482,804 in the year ended June 30, 1898.

The mints at Philadelphia and New Orleans have been hard pressed throughout the year to meet the demands upon them. The mint at New Orleans has been employed chiefly upon the coinage of silver dollars, but has turned out subsidiary silver coins to the amount of $1,659,000. The mint at Philadelphia, besides turning out the usual supply of minor coin, has borne the brunt of an exceptionally heavy demand for subsidiary silver, given some assistance to fill the required quota of silver dollars, and applied the rest of its capacity to the coinage of gold. Both of these institutions have been obliged to run more or less overtime, the New Orleans mint doing so for the greater part of the year.

The pressure for subsidiary silver and the legal requirement for the coinage of $1,500,000 silver dollars per month curtailed the coinage of gold at Philadelphia, for while the output of $49,919,180 in gold involved the striking of but 4,094,648 pieces, the output of $9,918,311.65 in silver required the striking of 36,898,836 pieces. The stock of gold bullion on hand increased for this reason from $96,688,582 on July 1, 1898, to $119,882,772 on July 1, 1899.

The mechanical equipment of the Philadelphia and New Orleans mints has been extensively overhauled during the past year. Nearly all of the machinery in both institutions had been in use for a great many years and was badly worn. The special appropriation made by the Fifty fourth Congress for the mint service enabled the substitution of new and more effective equipment in the place of a part of the old and an increase in the capacity of both institutions, but the improvements were not completed in time to show results in the output of last year. A detailed account of these improvements appears elsewhere in the annual statement of the operations of these institutions.

The mints at Philadelphia and New Orleans were crowded more than the mint at San Francisco, because the supply of silver bullion at the

latter was exhausted in August, 1898, and the cost of transporting bullion from Philadelphia to San Francisco made it undesirable to do so if it could be avoided. An arrangement was effected with the house of J. & W. Seligman, New York, by which 3,193,613.36 fine ounces of silver at Philadelphia were exchanged for an equal amount delivered to the mint in San Francisco. This exchange enabled the latter institution to coin the supply of subsidiary silver required on the Pacific coast and to assist in the coinage of the required number of silver dollars. This mint also converted into coin the full amount of its very large receipts of gold bullion, its gold output being $58,258,000.

The Government has now practically no bullion available for the coinage of subsidiary currency. The entire stock of silver bullion in the mints was purchased for a specific purpose, viz, for the coinage of silver dollars, and can not be deviated from that use without authority from Congress.

Since the resumption of specie payments the increasing needs of the country for fractional currency have been met from an idle stock in the Treasury. That supply is now exhausted, and legislative authority for new coinage is imperatively demanded.

The mint facilities of the country will be taxed to their utmost until the new buildings under construction at Philadelphia and Denver are completed and equipped. The stock of gold bullion is accumulating and, with the present pressure for silver coinage, can not be reduced. Fortunately the large cash balance in the Treasury permits at this time an unusual stock of bullion without embarrassment, but Congress should at the approaching session make an appropriation for the equipment of the new Philadelphia mint. The building is well advanced toward completion, and as the power plant and much of the machinery will require considerable time for construction the contracts for the same should be let during the coming year. All of the machinery purchased during the past year has been bought with a view to use in the new structure, but a considerable additional expenditure will be necessary to bring the capacity of the institution up to the rapidly growing requirements of the country.

Without explanation it might appear strange that with mint facilities at present inadequate, the mint at Carson, Nev., should be reduced to an assay office. The explanation lies in its location. It could not be used for the coinage of silver except by the shipment of bullion from Philadelphia and the subsequent shipment of coin eastward. The mint at San Francisco is able to execute the coinage of all the gold produced or arriving on the Pacific coast, and of all the silver coin required there, and do it at much less expense than would be entailed by maintaining two institutions. For this reason the Carson mint was at the close of the fiscal year reduced to an assay office, as authorized by Congress in the act carrying the appropriation for the maintenance of the institution for the current year.

For many years the cost of operating the refinery in the San Francisco mint by reason of a higher wage scale and higher cost of materials used was considerably in excess of the cost of operating the other Government refineries, and for that reason a higher scale of charges was maintained there. As the cost of operation is now practically the same there as at Philadelphia and New York, no reason seems to exist why the Government should exact more for the same service at one institution than at another; and accordingly, on June 1, 1899, the charges at San Francisco were reduced to conform to the New York scale.

In this connection it may be added that the charges for refining silver bullion are so much higher at the Government refineries than at private refineries that the former get almost none of it. This would be of no consequence if it were not for the fact that in the refining of gold a certain proportion of silver must be used. It is essential to the process that silver be present, and this fact enables the Government to refine a limited quantity of high-grade silver bullion practically without cost. When the present charges for refining silver were adopted they were applicable to the conditions then existing, and the Government refineries received a share of the business. But the cost of treatment has declined and the charges of private concerns have been reduced, while the Government charges have remained fixed. The effect has naturally been to send the silver bullion to private refineries. While there is no good reason why the Government should enter into unnecessary competition with private concerns, it is desirable that so long as it conducts refineries it should do so in an economical and business-like manner. The amount of gold treated by the Government refineries last year required over 6,000,000 ounces of silver bullion, while only about 1,700,000 ounces of silver were offered to the refineries by the public. The requisite amount was made up by using fine silver owned by the Government over and over again. Instead of having earnings from all the silver which passed through its refineries, the Government had earnings on less than one third of it. This situation suggests that the charges for refining silver bullion be so reduced as to put the Government on an equal footing with private concerns in the business, or to such an extent as will bring the moderate amount of silver bullion they require for the treatment of gold deposits. The total amount of silver bullion refined in the United States last year was in round numbers 94,000,000 ounces.

The superintendent of the New York assay office calls attention to the fact that although about $30,000,000 in United States coin was exported last year no bars were taken for export, and suggests that the "export charge" of one-tenth of one per cent which is exacted is operating to our disadvantage. There is no object in forcing the public to take our coin out of the country by making it more expensive to take bars. We had better furnish the raw material than the manufactured article. These bars will have to be shipped from New York to Philadelphia, melted and worked into coin at some waste and considerable expense to replace the coin exported, while the bars would have served every purpose for export. The export charge was put on bars several years ago, when gold exports were heavy and some means to discourage them was sought. When the current coin is abraded exporters will pay a slight premium to get bars, which are full weight, but our current gold coin is now largely new and on the average close to standard, and exporters are preferring to ship it rather than to pay the bar charge.

A notable feature of the gold deposits at our mints last year was the large amount in Australian sovereigns which were deposited at San Francisco. The deputy master of the Sydney mint, in his official report for the calendar year 1898, refers to these shipments in the following paragraph:

> I may here allude to the shipments of sovereigns, totaling £5,615,000, from this port to San Francisco. These have been occasioned by the largely increased exports of produce from the United States to Europe, and it has been found convenient to make payments to the extent above mentioned from Sydney instead of from London, the voyage from here to America being a short one and the rates of freight and insurance exceptionally low. It has been suggested by several of the Sydney bankers that the issue of a gold trade ingot from this mint would serve for purposes of export to

foreign countries, and save the cost of manufacturing a redundancy of sovereigns, which are no doubt remelted on reaching their destination.

The production of gold in all of the important gold fields of the world is increasing rapidly, and with prospects of continued gains for years to come. The yield in the world in the calendar year 1898 was $287,000,000, against $238,000,000 in 1897. The production in Australia to date, in 1899, has shown a gain of 25 per cent over the corresponding months of 1898, which indicates a probable gain for the full year of $16,000,000. The United States, Canada, and Mexico will probably increase their product $18,000,000. In South Africa the production in the first half of the year was 35 per cent above the yield of the same months in 1898, and if the industry had been undisturbed the gain for the year would doubtless have been above $20,000,000. As all these principal districts are now in condition to produce at a higher rate than at the opening of the present year, and all are preparing for larger yields, it is not improbable that when operations are fully resumed in South Africa, the world's output will quickly pass $400,000,000 per annum. The world's stock of coin is now being increased more rapidly and by a higher annual percentage to the existing stock than during the period from 1850 to 1860, when the great output of gold from California and Australia startled the economists of all countries, and gave the world a depreciating standard of value. The effect of this new flood of standard money upon the markets, the industries, the earnings of those who work for wages, and all the varied relations of the people in our present highly organized society will be a most interesting study. It must be a potent factor in affairs.

The details concerning the operations of the several institutions in the mint service follow under appropriate headings, together with the usual statistics that have bearing upon monetary affairs and the answers to our regular interrogatories addressed to foreign governments.

DEPOSITS OF GOLD BULLION, FISCAL YEAR 1899.

The deposits of gold bullion at the mints and assay offices of the United States during the fiscal year ended June 30, 1899, exclusive of redeposits, were of the value of $143,497,190.65 against $147,693,194.83 reported the previous year.

Deposits of bullion may be made at a mint or assay office for conversion into bars for the convenience of the depositor. When delivered to him and disposed of by him they frequently find their way to another one of the Government institutions, and are there classified as redeposits. The same applies to transfers of bullion between the mints and assay offices.

The aggregate of all deposits, including redeposits, is the total of metal operated upon in the year by the mint service. This total of gold bullion received in the fiscal year ended June 30, 1899, was 11,888,658,521 standard ounces, of the value of $221,184,530.61, an increase of 1,206,367,061 standard ounces, of the value of $22,444,038.38, over the deposits reported for the fiscal year 1898.

The deposits of domestic bullion amounted to 4,098,571,188 standard ounces, of which 975,746,419 standard ounces were in a crude condition, direct from the miners operating in the various States; 936,371,576 standard ounces of refinery bars (less than 0.992 in fineness); and 2,188,453,193 standard ounces of refined bars (fineness, 0.992 and over), being bullion received from private refineries, chlorination, and cyanide works.

Uncurrent and mutilated domestic gold coin received for recoinage contained 62,279,032 standard ounces, of the coinage value in new coin of $1,158,307.57. Of this amount, 19,128,910 standard ounces were received on transfers from the Treasury and 43,130,122 standard ounces were received over the counter at the various mints and assay offices.

Foreign bullion containing 1,630,590,072 standard ounces were also received, of the value of $30,336,559.47, of which 623,601,361 standard ounces represents the deposits of unrefined bullion, and 1,006,988,711 standard ounces of refined bullion, as shown by the following table:

DEPOSITS OF FOREIGN GOLD BULLION.

Country of production.	Unrefined.	Refined.
Canada:	*Standard ozs.*	*Standard ozs.*
British Columbia	30,716,056	
Klondike (Northwest Territory)	415,310,886	
Nova Scotia	29,809,080	
Manitoba	289,463	
Ontario and Quebec	24,159,245	
Other	59,560	
Mexico	82,903,503	17,961
Central America	22,218,348	
South America	12,917,123	
China	1,586,961	
Australasia	10,133	
Cuba	258,066	
Haiti	49,468	
Germany	2,719,377	707,563
Philippine Islands	14,188	
South Africa	579,904	
France		5,352,947
England		948,314,579
New Zealand		39,263,902
Japan		13,331,756
Total	623,601,361	1,006,988,711

Foreign gold coin containing 1,762,201.946 standard ounces, of the coining value in United States money of $32,785,152.48, were deposited.

The following table shows the country of coinage and amount of such deposits:

DEPOSITS OF FOREIGN GOLD COIN.

Country of coinage.	Standard ounces.
Great Britain	1,321,966,762
France	90,272,059
Mexico	31,835,532
Japan	252,884,689
Spain	487,093
Germany	488,481
Russia	501,501
South America	34,655,964
Central America	1,291
China	3,711
Portugal	3,241
Other countries	29,101,619
Total	1,762,201,946

Jewelers' bars, old plate, etc., containing 159,351.760 standard ounces, of the value of $2,964,683.90, were also deposited.

The redeposits contained 4,175,694.523 standard ounces, of the value of $77,687,339.96.

The following table shows the character of the redeposits, where made, and where deposited:

REDEPOSITS OF GOLD, FISCAL YEAR 1899.

Institution at which manufactured.	Institution at which redeposited.				
	Fine bars.				Mint bars.
	Philadelphia.	San Francisco.	New York.	Total.	Philadelphia.
	Standard ozs.	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*
Philadelphia	12.199			12.199	
Carson		3,644.019		3,644.019	
New York	769,495.569		27,431.571	796,927.140	1,674,952.577
Denver	626,586.059			626,586.059	
Helena					
Boise					
Charlotte					
St. Louis					
Deadwood					
Seattle					
Total	1,396,093.827	3,644.019	27,431.571	1,427,169.417	1,674,952.577

Institution at which manufactured.	Institution at which redeposited.				
	Unparted bars.				
	Philadelphia.	San Francisco.	New Orleans.	New York.	Denver.
	Stand. ozs.	*Stand. ozs.*	*Stand. ozs.*	*Stand. ozs.*	*Stand. ozs.*
Philadelphia					
Carson		12,574.840			
New York					
Denver	507,[illegible]			[illegible]	[illegible]
Helena	[illegible]			[illegible]	
Boise	[illegible]				
Charlotte	[illegible]				
St. Louis	5,836.507				
Deadwood	17,068.585				
Seattle	319,407.8[illegible]	[illegible]			
Total	1,041,644.219	15,455.961	5.014	156.193	131.284

Institution at which manufactured.	Institution at which redeposited.			
	Unparted bars.			
	Boise.	Seattle.	Helena.	Total.
	Standard ozs.	*Standard ozs.*	*Standard ozs.*	*Standrad ozs.*
Philadelphia				
Carson				12,574.840
New York				
Denver				507,612.001
Helena			118.165	110,546.641
Boise	13,730.175			82,222.423
Charlottle				13,085.983
St. Louis				5,841.521
Deadwood				17,068.585
Seattle		2,331.518		324,620.535
Total	13,730.175	2,331.518	118.165	1,073,572.529

WEIGHT OF THE ORIGINAL DEPOSITS AND REDEPOSITS OF GOLD BULLION AT THE MINTS AND ASSAY OFFICES OF THE UNITED STATES DURING THE FISCAL YEARS 1898 AND 1899, AND THE INCREASE OR DECREASE OF THE SAME DURING THE LATTER YEAR.

Classification of deposits of gold.	Fiscal year. 1898.	Fiscal year. 1899.	Increase, 1899.	Decrease, 1899.
ORIGINAL DEPOSITS.				
Domestic:	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*
Unrefined	937,194.467	973,746.119	36,551.652	
Refinery bars	804,149.610	936,371.576	132,221.966	
Refined bars	2,014,766.153	2,188,453.493	173,687.340	
Domestic coin:				
Treasury transfers	29,272.300	19,128.910		10,143.390
Purchased	34,565.661	43,130.122	8,564.461	
Foreign bullion:				
Unrefined	215,737.881	623,601.361	407,863.480	
Refined	1,207,420.760	1,006,988.711		200,432.049
Foreign coin	2,537,541.684	1,762,201.946		775,339.738
Jewelers' bars, old plate, etc	157,860.706	159,351.760	1,491.054	
Total original deposits	7,938,509.222	7,712,973.998	760,379.953	985,915.177
REDEPOSITS.				
Fine bars	821,695.840	1,427,169.417	605,473.577	
Mint bars	1,231,905.132	1,674,952.577	443,047.445	
Unparted bars	690,191.263	1,073,572.529	383,381.266	
Total redeposits	2,743,792.235	4,175,694.523	1,431,902.288	
Total gold operated on	10,682,301.457	11,888,668.521	2,192,282.241	985,915.177
Net increase			1,206,367.064	

VALUE OF THE ORIGINAL DEPOSITS AND REDEPOSITS OF GOLD BULLION AT THE MINTS AND ASSAY OFFICES OF THE UNITED STATES DURING THE FISCAL YEARS 1898 AND 1899, AND THE INCREASE OR DECREASE OF THE SAME DURING THE LATTER YEAR.

Classification of deposits of gold.	Fiscal year. 1898.	Fiscal year. 1899.	Increase. 1899.	Decrease. 1899.
ORIGINAL DEPOSITS.				
Domestic:				
Unrefined	$17,436,176.15	$18,116,206.86	$680,030.71	
Refinery bars	14,960,922.98	17,420,866.54	2,459,943.56	
Refined bars	37,484,021.44	40,715,413.83	3,231,392.39	
Domestic coin:				
Treasury transfers	544,600.92	355,886.69		$188,714.23
Purchased	643,082.07	802,420.88	159,338.81	
Foreign bullion:				
Unrefined	4,013,728.02	11,601,885.78	7,588,157.76	
Refined	22,463,642.04	18,734,673.69		3,728,968.35
Foreign coin	47,210,077.84	32,785,152.48		14,424,925.36
Jewelers' bars, old plate, etc	2,936,943.37	2,964,683.90	27,740.53	
Total original deposits	147,693,194.83	143,497,190.65	14,146,603.76	18,342,607.94
REDEPOSITS.				
Fine bars	15,287,364.47	26,551,989.15	11,264,624.68	
Mint bars	22,919,165.24	31,161,908.41	8,242,743.17	
Unparted bars	12,840,767.69	19,973,442.40	7,132,674.71	
Total redeposits	51,047,297.40	77,687,339.96	26,640,042.56	
Total gold operated on	198,740,492.23	221,184,530.61	40,786,646.32	18,342,607.94
Net increase			22,444,038.38	

DEPOSITS OF SILVER BULLION, FISCAL YEAR 1899.

Including silver contained in gold deposits, the deposits and purchases of silver bullion during the fiscal year ended June 30, 1899, exclusive of redeposits, amounted to 14,073,454.20 standard ounces, against 11,396,687.62 standard ounces in the previous year.

Deposits of silver bullion may be made at a mint or assay office for conversion into bars, and these, when delivered to the depositor and disposed of by him, may find their way to another one of the Government institutions. These bars, bearing the stamp of the mint service, are then classified as redeposits.

The aggregate of all deposits and purchases, including redeposits, at all of the mints and assay offices shows the total operations of the mint service. This aggregate of silver received in the fiscal year was 28,538,404.86 standard ounces.

The deposits of domestic bullion amounted to 6,205,458 standard ounces, of which 442,350.25 standard ounces were in a crude condition direct from the miners operating in various States; 75,746 standard ounces of refinery bars less than 0.992 in fineness, and 5,687,361.75 standard ounces in refined bars (fineness, 0.992 and over) being bullion received from private refineries, chlorination, and cyanide works.

Uncurrent and mutilated domestic silver coins were received for recoinage containing 6,512,206.97 standard ounces, of the coinage value in silver dollars equal to $7,577,840.84, or the coinage value in new subsidiary silver coins equal to $8,101,979.26. Of this amount 6,509,016.99 standard ounces were received by transfer from the Treasury, and 3,189.98 standard ounces were received over the counter at the various mints and assay offices.

Foreign silver bullion, unrefined, containing 771,094.72 standard ounces, and refined bullion containing 24,636.52 standard ounces, were received. The following table shows the countries from which this bullion was received:

DEPOSITS OF FOREIGN SILVER BULLION.

Country of production.	Unrefined.	Refined.
	Standard ozs.	*Standard ozs.*
Canada:		
British Columbia	9,172.20	
Klondike (Northwest Territory)	115,744.57	
Nova Scotia	1,562.22	
Manitoba	68.01	
Ontario and Quebec	5,436.55	
Others	3,128.88	
Mexico	610,733.78	24,636.52
Central America	16,292.16	
South America	5,672.58	
China	731.91	
Australasia	1.70	
Cuba	2,214.46	
Haiti	11.28	
Germany	153.34	
Philippine Islands	13.68	
South Africa	67.40	
Total	771,094.72	24,636.52

Foreign silver coins containing 21,535.67 standard ounces were deposited.

The following table shows the country of coinage and the amount of such deposits:

Country of coinage.	Standard ounces.
Mexico	3,650.66
Spain	220.28
Guatemala	627.37
Costa Rica	3,334.72
Other countries	13,702.64
Total	21,535.67

Jewelers' bars, old plate, etc., containing 538,162.32 standard ounces, were also deposited.

The redeposits contained 14,464,950.66 standard ounces.

The following table shows the character of redeposits, where and when made, and where deposited:

Institution at which manufactured.	Institution at which redeposited. Fine bars.		
	Philadelphia.	San Francisco.	New Orleans.
	Standard ozs.	*Standard ozs.*	*Standard ozs.*
Philadelphia		3,518,687.50	10,016,507.42
San Francisco		2,275.24	
Carson		127,526.12	
New York	158,821.84		5,156.94
Total	158,821.84	3,648,488.86	10,021,664.36

Institution at which manufactured.	Institution at which redeposited. Fine bars.		Mint bars.	Standard bars.
	New York.	Total.	Philadelphia.	New Orleans.
	Standard ozs.	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*
Philadelphia		13,535,194.92	16,136.72	444.41
San Francisco		2,275.24		
Carson		127,526.12		
New York	18,662.07	182,640.85		304,827.79
Total	18,662.07	13,847,637.13	16,136.72	305,272.20

Institution at which manufactured.	Institution at which redeposited. Unparted bars.			
	Philadelphia.	San Francisco.	New Orleans.	New York.
	Standard ozs.	*Standard ozs.*	*Standard ozs.*	*Standand ozs.*
Carson		92,754.63		
Denver	53,617.51			6.06
Helena	33,880.46			83.31
Boise	18,565.52			
Charlotte	1,130.43			
St. Louis	798.13		.61	
Deadwood	2,107.86			
Seattle	88,717.81	823.69		
Total	198,817.72	93,578.32	.61	89.37

Institution at which manufactured.	Institution at which redeposited. Unparted bars.				
	Denver.	Boise.	Helena.	Seattle.	Total.
	Stand. ozs.	*Stand. ozs.*	*Stand. ozs.*	*Stand. ozs.*	*Stand. ozs.*
Carson					92,754.63
Denver	52.07				53,675.64
Helena			45.02		34,008.79
Boise		2,968.94			21,534.46
Charlotte					1,130.43
St. Louis					798.74
Deadwood					2,107.86
Seattle				352.56	89,894.06
Total	52.07	2,968.94	45.02	352.56	295,904.61

The following tables show the deposits and redeposits of silver bullion, by weight and coining value, during the fiscal year 1899:

WEIGHT OF THE ORIGINAL DEPOSITS AND REDEPOSITS OF SILVER BULLION AT THE MINTS AND ASSAY OFFICES OF THE UNITED STATES DURING THE FISCAL YEARS 1898 AND 1899, AND THE INCREASE OR DECREASE OF THE SAME DURING THE LATTER YEAR.

Classification of deposits of silver.	Fiscal year—		Increase 1899.	Decrease 1899.
	1898.	1899.		
ORIGINAL DEPOSITS.	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*	*Standard ozs.*
Domestic:				
Unrefined	677,817.18	442,350.2[illegible]	[illegible]	235,466.92
Refinery bars	136,652.26	75,746.[illegible]	[illegible]	60,905.26
Refined bars	4,758,030.97	5,687,361.7[illegible]	[illegible]	[illegible]
Domestic coin:				
Treasury transfers	4,673,600.62	6,509,016.[illegible]	1,[illegible]	[illegible]
Purchased	4,129.59	2,994.[illegible]	[illegible]	1,135.31
Trade dollars purchased	222.72	195.7[illegible]	[illegible]	27.02
Foreign bullion:				
Unrefined	544,062.01	771,004.7[illegible]	[illegible]	[illegible]
Refined	[illegible]	24,636.52	[illegible]	[illegible]
Foreign coin	72,305.11	21,545.[illegible]	[illegible]	50,769.44
Jewelers' bars, old plate, etc	529,867.16	538,612.32	8,745.16	[illegible]
Total original deposits	11,396,687.62	14,073,454.20	3,025,071.54	348,304.96
REDEPOSITS.				
Fine bars	2,936,035.45	13,847,637.13	10,911,601.68	[illegible]
Standard bars	7,998.62	305,272.20	297,273.58	[illegible]
Mint bars	[illegible]	16,136.72	16,136.72	[illegible]
Unparted bars	118,923.83	295,904.61	176,980.78	[illegible]
Total redeposits	3,062,957.90	14,464,950.66	11,401,992.76	[illegible]
Total silver operated on	14,459,645.52	28,538,404.86	14,427,064.30	348,304.96
Net increase	[illegible]	[illegible]	14,078,759.34	[illegible]

COINING VALUE, IN DOLLAR PIECES, OF THE ORIGINAL DEPOSITS AND REDEPOSITS OF SILVER BULLION AT THE MINTS AND ASSAY OFFICES OF THE UNITED STATES DURING THE FISCAL YEARS 1898 AND 1899, AND THE INCREASE OR DECREASE OF THE SAME DURING THE LATTER YEAR.

Classification of deposits of silver.	Fiscal year.		Increase 1899.	Decrease 1899.
	1898.	1899.		
ORIGINAL DEPOSITS.				
Domestic:				
Unrefined	$788,732.68	$514,734.83	[illegible]	$273,997.85
Refinery bars	159,013.53	88,140.79	[illegible]	70,872.74
Refined bars	5,536,617.86	6,618,020.95	$1,081,403.09	[illegible]
Domestic coin:				
Treasury transfers	5,438,371.62	7,574,128.86	2,135,757.24	[illegible]
Purchased	4,805.35	3,484.25	[illegible]	1,321.10
Trade dollars purchased	259.16	227.73	[illegible]	31.43
Foreign bullion:				
Unrefined	633,090.33	897,169.11	264,078.78	[illegible]
Refined	[illegible]	28,667.95	28,667.95	[illegible]
Foreign coin	84,136.86	25,059.68	[illegible]	59,077.18
Jewelers' bars, old plate, etc	616,572.72	626,748.88	10,176.16	[illegible]
Total original deposits	13,261,600.11	16,376,383.03	3,520,083.22	405,300.30
REDEPOSITS.				
Fine bars	3,416,477.61	16,113,614.11	12,697,136.50	[illegible]
Standard bars	9,307.49	355,225.83	345,918.34	[illegible]
Mint bars	[illegible]	18,777.27	18,777.27	[illegible]
Unparted bars	138,384.10	344,325.37	205,941.27	[illegible]
Total redeposits	3,564,169.20	16,831,942.58	13,267,773.38	[illegible]
Total silver operated on	16,825,769.31	33,208,325.61	16,787,856.60	405,300.30
Net increase	[illegible]	[illegible]	16,382,556.30	[illegible]

In the Appendix tables will be found showing in detail the weight and value of the deposits and redeposits of silver bullion.

VALUE OF THE GOLD AND SILVER (NOT INCLUDING REDEPOSITS) RECEIVED AT THE MINTS AND ASSAY OFFICES SINCE 1880.

Fiscal years.	Gold.	Silver (coining value).	Total value.
1880	$98,835,096	$34,640,522	$133,475,618
1881	130,833,102	30,791,146	161,624,248
1882	66,756,652	33,720,491	100,477,143
1883	46,347,106	36,869,834	83,216,940
1884	46,326,678	36,520,290	82,846,968
1885	52,894,075	36,789,774	89,683,849
1886	44,909,749	35,494,183	80,403,932
1887	68,223,072	47,756,918	115,979,990
1888	72,225,497	41,331,014	113,556,511
1889	42,136,436	41,238,151	83,374,587
1890	42,663,095	42,644,719	85,307,814
1891	48,485,801	71,985,985	120,471,786
1892	61,131,460	83,177,666	144,309,126
1893	46,449,842	84,233,832	130,683,674
1894	71,909,513	28,697,031	100,606,544
1895	65,161,067	15,234,700	80,395,767
1896	68,769,384	11,672,078	80,441,462
1897	87,003,338	9,470,623	96,473,961
1898	147,693,195	13,261,600	160,954,795
1899	143,497,191	16,376,383	159,873,574

DEPOSITS OF GOLD SINCE 1873.

The value of the deposits of gold bullion, coin, and jewelers' bars at the mints and assay offices of the United States, by fiscal years, since 1873 is exhibited in the following table:

DEPOSITS OF GOLD AT UNITED STATES MINTS AND ASSAY OFFICES SINCE 1873.

Fiscal year ended June 30—	Character of gold deposited.					Total.
	Domestic bullion.	Domestic coin (coining value).	Foreign bullion.	Foreign coin (U. S. coining value).	Jewelers' bars, old plate, etc.	
1873	$28,868,569.78	$27,116,948.27	$426,107.44	$518,542.14	$774,218.25	$57,704,385.88
1874	29,736,387.82	6,275,367.29	3,162,519.92	9,313,882.47	654,353.56	49,142,511.06
1875	34,266,124.52	1,714,311.50	739,439.66	1,111,792.26	724,625.96	38,556,293.90
1876	37,590,529.39	417,947.15	1,141,905.76	2,111,083.80	681,819.32	41,943,285.42
1877	43,478,103.93	447,330.68	1,931,163.12	2,093,260.73	837,911.25	48,787,778.71
1878	48,075,123.76	301,021.79	2,068,679.05	1,316,461.09	907,932.20	52,669,217.89
1879	38,549,705.89	198,083.17	1,069,796.89	1,498,819.71	937,751.14	42,254,156.80
1880	35,821,705.40	209,328.82	21,200,997.23	40,426,559.63	1,176,505.77	98,835,096.85
1881	35,815,036.55	440,776.97	37,771,472.26	55,462,385.74	1,343,430.93	130,833,102.45
1882	31,298,511.97	599,356.80	12,783,807.04	20,304,810.78	1,770,166.36	66,756,652.95
1883	32,481,642.38	374,129.23	4,727,143.22	6,906,083.80	1,858,107.42	46,347,106.05
1884	29,079,596.33	263,117.17	6,023,734.45	9,095,461.45	1,864,769.26	46,326,678.66
1885	31,584,436.64	325,210.97	11,221,846.45	7,893,217.77	1,869,363.26	52,894,075.09
1886	32,456,493.64	393,545.28	4,317,068.27	5,673,565.04	2,069,077.00	44,909,749.23
1887	32,973,027.41	516,984.63	22,571,328.70	9,896,512.28	2,265,219.85	68,223,072.87
1888	32,406,306.59	492,512.60	21,741,042.44	14,596,885.03	2,988,750.90	72,225,497.56
1889	31,440,778.93	585,066.87	2,136,516.66	4,447,475.99	3,526,597.31	42,136,435.76
1890	30,474,900.25	655,474.96	2,691,932.29	5,298,773.93	3,542,013.83	42,663,095.26
1891	31,555,116.85	583,847.16	4,054,822.86	8,256,303.80	4,035,710.15	48,485,800.82
1892	31,961,546.11	557,967.86	10,935,154.69	14,040,187.70	3,636,603.68	61,131,460.04
1893	33,286,167.94	792,470.43	2,247,730.78	6,293,296.33	3,830,176.02	46,449,841.50
1894	38,696,951.40	2,093,615.46	15,614,118.19	12,386,406.81	3,118,421.45	71,909,513.31
1895	44,371,949.83	1,188,258.21	14,108,435.74	2,278,614.07	3,213,809.43	65,161,067.28
1896	53,910,957.02	1,670,005.53	6,572,390.14	3,227,409.06	3,388,622.06	68,769,383.81
1897	60,618,239.77	1,015,314.39	9,371,521.03	13,188,013.86	2,810,248.66	87,003,337.71
1898	69,881,120.57	1,187,682.99	26,477,370.06	47,210,077.84	2,936,943.37	147,693,194.83
1899	76,252,487.23	1,158,307.57	30,336,559.47	32,785,152.48	2,964,683.90	143,497,190.65
Total	1,056,931,517.90	51,573,992.75	277,444,603.81	337,631,035.59	59,727,832.29	1,783,308,982.34

COINAGE OF THE UNITED STATES.

Coinage operations were conducted during the fiscal year 1899 at the mints at Philadelphia, San Francisco, and New Orleans, and amounted to 122,270,945 pieces, of the value of $136,855,676.79.

The coinage of nickel and bronze is confined by law to the mint at Philadelphia, at which institution 49,532,086 pieces, of the value of $956,910.14, were manufactured.

The following table exhibits the coinage by the mints, by denominations and pieces:

COINAGE EXECUTED AT THE MINTS OF THE UNITED STATES DURING THE FISCAL YEAR 1899.

Denominations.	Pieces.	Value.
Gold:		
Double eagles	3,793,043	$75,860,860.00
Eagles	1,276,892	12,768,920.00
Half eagles	3,897,422	19,487,110.00
Quarter eagles	24,116	60,290.00
Total gold	8,991,473	108,177,180.00
Silver:		
Standard dollars	18,254,709	18,254,709.00
Subsidiary:		
Half dollars	6,433,259	3,216,629.50
Quarter dollars	15,628,709	3,907,177.25
Dimes	23,430,709	2,343,070.90
Total subsidiary	45,492,677	9,466,877.65
Total silver	63,747,386	27,721,586.65
Five-cent nickels	11,539,732	576,986.60
One-cent bronze	37,992,354	379,923.54
Total minor	49,532,086	956,910.14
Total coinage	122,270,945	136,855,676.79

The standard silver dollars embraced in the above table (18,254,709) were coined from the balance of silver bullion on hand, purchased under the act of July 14, 1890, and contained 15,687,640.54 standard ounces of silver costing $12,734,563.55.

The seigniorage or profit on the coinage was $5,520,145.45, which has been deposited in the Treasury of the United States.

Of the subsidiary coinage, $9,166,877.65 executed during the year, $9,318,391.40 were from bullion resulting from the melting of uncurrent silver coins received from the Treasury for recoinage, and $148,486.25 from silver bullion purchased under the provision of section 3526 of the Revised Statutes.

The loss on the recoinage of $1,168,851 in worn and uncurrent gold coins was $10,543.13, and the loss on the recoinage of $8,588,076.81 in worn and uncurrent silver coins was $485,797.55, for which the Treasurer of the United States was reimbursed from the appropriations for that purpose.

The number of pieces of domestic coin manufactured by the mints of the United States during the fiscal years 1898 and 1899, and the increase or decrease in the number of pieces coined in the last year named is shown in the following table:

COINAGE OF THE MINTS OF THE UNITED STATES, BY PIECES, DURING THE FISCAL YEARS 1898 AND 1899 AND THE INCREASE AND DECREASE OF THE SAME DURING THE LATTER YEAR.

Classification of coinage.	Fiscal year.		Increase, 1899.	Decrease, 1899.
	1898.	1899.		
	Pieces.	*Pieces.*	*Pieces.*	*Pieces.*
Gold coins	4,897,332	8,991,473	4,094,141	.....
Silver dollars	10,002,780	18,254,709	8,251,929	.....
Subsidiary silver coins	29,808,032	45,492,677	15,684,645	.....
Minor coins	72,887,039	49,532,086	.....	23,354,953
Total	117,595,183	122,270,945	28,030,715	23,354,953

The value of the domestic coinage executed by the mints of the United States during the fiscal years 1898 and 1899 and the increase or decrease in the nominal value of the coinage during the year named is shown by the following table:

COINAGE OF THE MINTS OF THE UNITED STATES, BY VALUE, DURING THE FISCAL YEARS 1898 AND 1899, WITH THE INCREASE OR DECREASE OF THE SAME DURING THE LATTER YEAR.

Classification of coinage.	Fiscal year.		Increase, 1899.	Decrease, 1899.
	1898.	1899.		
Gold coins	$64,634,865.00	$108,177,180.00	$43,542,315.00	.....
Silver dollars	10,002,780.00	18,254,709.00	8,251,929.00	.....
Subsidiary silver coins	6,482,804.00	9,466,877.65	2,984,073.65	.....
Minor coins	1,489,484.11	956,910.14	.....	$532,573.97
Total	82,609,933.11	136,855,676.79	54,778,317.65	532,573.97

The number of silver dollars coined from bullion purchased under the act of July 14, 1890, from August 13, 1890, to June 30, 1899, aggregated 97,005,966 pieces, containing 75,028,051.81 ounces of fine silver, costing $71,195,539.09, giving a seigniorage of $25,810,426.91. All profits on the coinage of silver dollars are deposited each month in the Treasury of the United States.

The aggregate number of silver dollars coined from March 1, 1878, to June 30, 1899, under the provisions of the acts of February 28, 1878, July 14, 1890, and March 3, 1891, was $480,251,231, as shown by the following table:

Coinage under act of—		Amount.
February 28, 1878 (Bland-Allison)		$378,166,793
From July 14, 1890, to repeal of the purchasing clause of the Sherman act, October 31, 1893	$36,087,285	
From November 1, 1893, to June 12, 1898	42,139,872	
Coined under the war-revenue bill approved June 13, 1898	18,778,809	
Total under act of July 14, 1890		97,005,966
March 3, 1891 (recoinage of trade dollars)		5,078,472
Total		480,251,231

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REPORT OF THE COMPTROLLER OF THE CURRENCY.

TREASURY DEPARTMENT,
OFFICE OF THE COMPTROLLER OF THE CURRENCY,
Washington, December 4, 1899.

SIR: In compliance with the requirements of section 333 of the Revised Statutes of the United States, I submit herewith the thirty-seventh annual report of the operations of the Currency Bureau for the year ended October 31, 1899.

CONDITION OF BANKS.

During the year five statements of condition of national banks have been made, and in the following table are set forth, in detail, the resources and liabilities of the banks at date of each report.

SUMMARY OF REPORTS OF CONDITION OF NATIONAL BANKS DURING THE YEAR.

	Dec. 1—3,590 banks.	Feb. 4—3,579 banks.	April 5—3,583 banks.	June 30—3,583 banks.	Sept. 7—3,595 banks.
RESOURCES.					
Loans and discounts	$2,214,394,838.15	$2,299,041,947.32	$2,403,410,895.66	$2,492,220,584.52	$2,496,751,251.11
Overdrafts	22,674,456.74	18,542,345.20	17,945,729.63	15,724,395.38	19,231,907.24
U. S. bonds to secure circulation	238,586,290.00	235,209,290.00	233,731,140.00	228,870,310.00	229,639,610.00
U. S. bonds to secure U. S. deposits	95,528,020.00	89,100,240.00	89,200,540.00	78,497,040.00	80,976,980.00
U. S. bonds on hand	29,224,090.00	25,028,370.00	22,154,400.00	21,031,310.00	19,328,220.00
Premiums on U. S. bonds	19,859,781.31	19,061,207.41	18,569,916.95	17,715,752.92	17,626,212.72
Stocks, securities, etc	259,135,309.88	276,704,595.54	300,281,257.80	305,428,927.40	320,437,066.36
Banking house, furniture, and fixtures	79,190,505.00	79,173,842.32	79,006,522.33	78,905,167.54	79,064,021.51
Other real estate and mortgages owned	30,965,488.61	30,583,528.03	30,900,209.90	30,477,935.92	30,255,465.34
Due from national banks	193,886,881.09	203,074,179.21	213,213,074.25	223,873,819.92	212,431,744.50
Due from State banks and bankers	56,246,803.91	60,391,784.03	58,340,492.61	56,634,310.02	59,288,465.86
Due from approved reserve agents	359,371,346.51	432,035,501.85	412,677,297.19	406,668,464.82	414,126,660.44
Checks and other cash items	19,223,078.51	17,056,884.10	18,806,769.38	25,631,637.24	17,414,999.52
Exchanges for clearing house	194,981,281.67	75,672,644.30	212,818,211.29	203,003,934.53	154,800,514.95
Bills of other national banks	22,092,333.00	20,650,964.00	20,711,021.00	19,557,261.00	20,077,605.00
Fractional currency, nickels, and cents	1,016,620.94	1,107,636.03	1,109,785.32	1,107,699.27	1,121,297.56
Gold coin	129,009,745.61	134,336,296.20	133,190,652.27	137,690,618.39	117,082,951.86
Gold Treasury certificates	17,586,450.00	17,669,500.00	17,708,880.00	23,152,390.00	41,389,130.00
Gold clearing-house certificates	134,879,000.00	169,910,000.00	166,311,000.00	148,495,000.00	133,140,500.00

SUMMARY OF REPORTS OF CONDITION OF NATIONAL BANKS DURING THE YEAR—Continued.

	Dec. 1—3,590 banks.	Feb. 4—3,579 banks.	April 5—3,583 banks.	June 30—3,583 banks.	Sept. 7—3,595 banks.
RESOURCES—cont'd.					
Silver dollars	$8,012,695.00	$8,151,429.00	$8,246,829.00	$8,361,974.00	$7,998,538.00
Silver Treasury certificates	32,700,654.00	35,359,818.00	32,193,899.00	32,578,638.00	32,458,505.00
Silver fractional coin	6,412,166.84	6,416,451.75	6,511,292.62	6,543,425.80	6,501,753.97
Legal-tender notes	117,845,702.00	116,003,066.00	110,235,423.00	116,337,935.00	111,214,651.00
U. S. certificates of deposit	17,905,000.00	21,140,000.00	19,820,000.00	18,590,000.00	16,540,000.00
Five-per-cent redemption fund	10,484,284.11	10,286,903.25	10,306,883.84	10,095,518.01	10,116,130.63
Due from Treasurer U. S.	2,181,696.22	2,174,649.66	1,736,037.32	1,629,855.16	1,340,945.87
Total	4,313,394,519.10	4,403,883,073.20	4,639,138,160.36	4,708,833,904.84	4,650,355,133.44
LIABILITIES.					
Capital stock paid in	620,516,245.00	608,301,245.00	607,262,570.00	604,865,327.00	605,772,970.00
Surplus fund	246,695,552.28	247,522,450.02	246,169,893.65	248,146,167.55	248,449,234.99
Undivided profits, less expenses and taxes	94,403,831.31	86,439,845.17	93,687,856.72	94,175,584.64	102,066,430.50
National-bank notes outstanding	207,093,317.50	203,636,184.50	203,829,270.00	199,358,382.50	200,345,567.50
State-bank notes outstanding	55,107.50	53,112.50	53,110.50	53,108.50	53,108.50
Due to other national banks	521,938,336.98	600,964,563.63	599,170,922.37	598,340,332.85	594,609,884.34
Due to State banks and bankers	272,965,525.82	312,136,056.50	333,177,342.39	334,064,533.98	334,258,085.48
Dividends unpaid	1,243,005.18	1,455,443.30	1,932,494.28	7,735,327.07	1,137,392.24
Individual deposits	2,225,269,813.21	2,232,193,156.59	2,437,223,420.29	2,522,157,508.99	2,450,725,595.31
U. S. deposits	88,324,695.73	81,120,873.13	81,340,227.75	70,481,616.36	72,826,840.37
Deposits of U. S. disbursing officers	5,580,659.42	5,502,537.62	5,832,609.61	5,831,775.01	6,053,440.79
Notes and bills rediscounted	4,131,642.54	1,752,621.33	1,620,476.19	2,154,782.17	4,365,777.08
Bills payable	6,076,208.25	3,383,891.06	5,675,587.74	6,078,284.70	9,945,237.89
Liabilities other than those above	19,050,578.38	19,421,092.85	22,162,378.87	15,391,173.52	19,745,568.45
Total	4,313,394,519.10	4,403,883,073.20	4,639,138,160.36	4,708,833,904.84	4,650,355,133.44

On September 7, 1899, reports of condition were submitted by 3,595 national banks, with a paid-in capital of $605,772,970. The surplus fund and undivided profits amounted to $248,449,234.99 and $102,066,430.50, respectively. The individual deposits reached $2,450,725,595.31 and the aggregate liabilities $4,650,355,133.44. The loans and discounts on the date named aggregated $2,496,751,251.11.

By comparison of the September 7 returns with those made on September 20, 1898, there is shown an increase in loans and discounts of $340,789,623.20. Of the aggregate loans on the former date, $1,063,701,130 were secured by stocks, bonds, and other collateral; $907,109,304 represents two or more name paper, and $525,940,817 single-name paper, including both demand and time.

An examination of the loans, as classified in the returns, indicates that 62.83 per cent of the loans of banks in central reserve cities is secured by stocks, bonds, or other collateral; 21.65 per cent is paper with two or more individual or firm names, and 15.52 per cent single-name paper. Of the loans of the banks in other reserve cities, 46.68 per cent is with collateral, 29.66 per cent two or more name paper, and 23.65 per cent single name. Outside of the reserve cities, 26.76 per cent of the loans is covered by collateral, 50.12 per cent is represented by two or more name paper, and 23.13 per cent single-name paper.

Of the total loans of all national banks, 42 per cent is with collateral security; nearly 37 per cent is paper with two or more individual or firm names, and 21 per cent paper with one or more individual or firm names, including both demand and time.

In amounts due from other banks and bankers there was an increase of $160,391,896.68; in specie, $44,697,225.44; and in aggregate resources, $646,844,088.57. The decrease during the year in capital stock has been $15,652,568; and the increase in surplus and profits, $9,945,459.06; individual deposits, $419,271,055.02; and in bank deposits, $230,532,614.88.

By comparison of the returns on June 30 with those on September 7, it is noted that the resources of the banks on the former date were greater by $58,478,771.40 than on September 7, the reduction being occasioned by the withdrawal of deposits between those periods. Notwithstanding this reduction in total resources, the loans and discounts of the banks on September 7 exceeded the amount on June 30 by $4,520,666.59, and were the highest at any date during the existence of the national-banking system.

The fluctuations in the amount of outstanding circulating notes of the banks have been as follows:

On July 14, 1898, the amount outstanding was $189,866,298; increased on September 20 to $194,483,765; on December 1 to $207,093,317; and from February 4, 1899, to September 7, decreased from $203,636,184 to $200,345,567.

The law requires the maintenance by national banks in central reserve cities of a cash reserve of 25 per cent upon deposit liabilities. The banks in other reserve cities are required to hold the same percentage of reserves, but one-half of the legal requirement may consist of deposits with approved reserve agents in central reserve cities. Banks outside of reserve cities are required to maintain a reserve of 15 per cent, two-fifths of which must consist of cash in bank and three-fifths may be represented by deposits with approved reserve agents. On September 7 the net deposit liabilities of the national banks of the country aggregated $3,031,463,016.68, which required a reserve of $630,789,147.62. The reserve held aggregated $890,568,825.90, or 29.38 per cent. The composition of this reserve was as follows:

Specie, $338,571,383.83; legal tenders and United States certificates of deposit for legal tenders, $127,754,651; due from reserve agents, $114,126,660.44; redemption fund with Treasurer of the United States, $10,116,130.63.

The cash reserve required was $406,314,452.36 and the cash held $466,326,034.83, or, approximately, $60,000,000 more than the legal requirement. The total reserve held is seen to have been nearly 10 per cent in excess of the requirements of law.

RECOMMENDATIONS RELATIVE TO BANK-NOTE CURRENCY.

Section 333 of the Revised Statutes of the United States provides that the Comptroller of the Currency, in his annual report to Congress, shall suggest amendments to the banking laws by which the system may be improved.

There is one reform needed in the bank-note currency of the United States, concerning the general principles of which there seems little

room for honest controversy. This is a provision for an emergency circulation which can be used in those seasons of the year in which the moving of crops requires an increase in the circulating medium, and to lessen the disastrous effects of the immense liquidation of credits incident to a financial panic. The widespread ruin and misery affecting all classes of citizens and all kinds of business, which results from an industrial and financial panic, is such that any measure designed to forestall or to lessen its destructive power should properly demand the highest degree of consideration. A time of active commerce and normal financial conditions such as we are enjoying at present is most opportune for the deliberate and careful discussion of measures which, if adopted now, may in a measure relieve the embarrassments above indicated and the keenness of the distress of commercial and industrial interests incident to such panics as those of 1873 and 1893.

It is true that the enactment of legislation by which the credit of our governmental currency may be protected from the effects of deficient revenues and from the influences of commercial panic, is important as a measure of governmental policy at this time. The panic of 1893 and an ensuing period of deficiency in governmental revenue demonstrated that fact; but they likewise demonstrated the necessity of circulation of some nature by the banks which could be used to supply the demands during such an extreme emergency for a liquidating medium whose existence would tend to protect solvent institutions of all kinds from forced bankruptcy resulting from a money panic. The object of such a circulation is neither to provide profits to the banks nor to serve as a basis for the expansion of commercial credits under normal conditions. It would be to the country at large what the clearing-house certificates have proved to be in times of panic in some of our larger cities.

The necessity for such circulation, designed for the mutual protection of banks and the public in times of panic and money stringency, and so heavily taxed as to compel its retirement after the period of acute demand for money is passed, is made clearer by a reference to conditions prevailing in 1893.

The deposits of the national banks of the country between May 4 and October 4, 1893, were reduced in the sum of $378,767,691; the contraction in balances on deposit with other banks was $51,198,856; the contraction in stocks and securities was $2,177,912. The banks took out $31,265,616 of new circulation and borrowed $36,315,092 in their efforts to meet the general demands upon them. As a matter of fact, the necessary delay incident to printing national-bank notes by the Government after receiving the order for circulation by the banks, amounting on the average to twenty-five days, prevented the issuance of a larger circulation at this time, the acute crisis having passed by the time the notes were ready for delivery, and the order for the notes canceled by the banks in consequence.

The amount of orders canceled for this cause during the period above named is estimated at $11,000,000. Even with the aid of this additional circulation and borrowing, the national banks of the country to meet this drain in deposits were compelled to contract their loans during this period in the sum of $318,767,691, taking this immense amount from the productive industries of the country and carrying

disaster, not only to employer and employee, but to every class of our citizens.

The records of this office show that with our banking system as a whole the money stringency incident to a financial panic is soon over. At most it is a matter of but a few months. The crisis of a panic once passed, the arrested wheels of general business start moving very slowly, and the unproductive and unloaned capital of the country stagnates in the banks.

In May, 1893, during the panic, the average reserve of the banks of the United States was 26.4 per cent, and in December, 1893, 35.7 per cent. In May, 1893, the banks of New York City held reserves of only 28.5 per cent, and in December, 1893, they held 41.2 per cent, or $66,663,000 above the required legal reserve of 25 per cent.

These facts prove that emergency circulation which could be used to lessen the disastrous effects of the liquidation incident to an industrial and bank panic would be needed for but a few months, and would not remain as a disturbing and unusual factor in business long after its time of maximum influence.

In connection with the recommendations which he embodies hereafter, the Comptroller repeats the recommendation made by him in his last report to Congress, to wit:

> For the purpose of allowing elasticity to bank-note issues to protect the banks and the community in times of panic, a small amount of uncovered notes, in addition to the secured notes, should be authorized by law under the following limitations: They should be subjected to so heavy a tax that they could not be issued in normal times for the purpose of profit, but would be available in times of emergency. The tax should be so large upon the solvent issuing banks as to provide a fund, which, in connection with the pro rata share of the assets of an insolvent bank, would be sufficient to redeem the notes in full, without necessitating any preference of note holders over depositors of any insolvent issuing bank. The tax should be so large as to force this currency into retirement as soon as the emergency passes. Such a currency could be used only to lessen the evil effects of the too rapid liquidation of credits which are collapsing under a financial panic, but could not be profitably used as a basis of business speculation and inflation. It should be to the business community what the clearing-house certificates are to our cities in times of panic—a remedy for an emergency, not an instrument of current business.

In view of the fact that our national banking system is composed of over 3,600 separate institutions scattered throughout our great country and surrounded by diversified business conditions, the problem of the enactment of such a law, involving as it does a departure to some extent from the principle of a bond-secured circulation, presents grave difficulties, arising partly out of the natural conservatism of our people and from the fact that the plan will be somewhat experimental. That such a law providing for the protection of the business community shall be ultimately passed is of great importance. A marked degree of elasticity, however, is possible of attainment in connection with our present system of bond-secured national bank notes.

The Comptroller believes that, in accordance with the President's recommendation, national banks should be allowed to issue circulation to the par of the United States bonds deposited by them for circulation, and that, in connection with the law authorizing this, provision can be made for a secured emergency circulation.

The object of allowing banks to take out circulation to the par of the bonds is to induce them to furnish for the use of the public a larger amount of circulation than is in existence at present. The present rate

of profit to be derived by the banks from their circulation is not sufficient to justify them in offering a larger amount, but any method of increasing the profits on circulation will result in an increase.

It is true that the authorization of an issue of currency to the par of the deposited bonds, subject to the present rate of tax, is one method of inducing a larger circulation, but it is not the only method. By a modification of the present rate of taxation on bank notes, coupled with the authorization of issues to the par of the bonds, the same inducements can be offered for a larger circulation and yet provision be made for a secured emergency circulation.

The Comptroller, therefore, would recommend legislation authorizing the issuance of national-bank note circulation to the par of the deposited United States bonds, and that the additional 10 per cent circulation thus allowed the banks be subjected to a tax at the rate of 2 or 3 per cent per annum for the time used, which will tend to prevent its unrestricted use under normal conditions, and to save it for use at those periods of the year when crops are to be moved, and in those periods of panic when it is most valuable both to the banks and the business public as a means of assisting the general liquidation of credits. With the object of securing an increase in the present bank-note circulation, he would recommend the reduction or abolishment of the present tax of 1 per cent per year on the circulation to 90 per cent of the deposited bonds—the amount of the reduction in the tax on currency to be collected from the necessary per cent of tax on the capital and surplus of national banks if requisite to the public revenues. To allow the banks to issue up to the par of the bonds, unsubjected to additional tax on the 10 per cent extra circulation, will result in their immediately taking out their additional circulation for the purpose of profit. Business credits will be extended and adjusted to correspond with such increase of the currency, and practically the same inelasticity will characterize our bank-note issues then as now. With the advent of a panic we would have no additional means of lessening the necessity of a call upon the business community to furnish, by the repayment of loans, practically the bulk of the deposits drawn by frightened depositors.

It will be seen from an examination of the calculations given hereinafter that exactly the same rate of profit could be realized by the banks upon circulation to 90 per cent of the bonds deposited, taxed at four-ninths of 1 per cent per annum, as they could realize upon circulation to the par of the bonds at the present tax of 1 per cent.

It will also be seen that if the tax on the 90 per cent of circulation should be entirely abolished, or shifted to the franchise of banks, that the profit on circulation would be much larger than could be realized upon circulation issued to the par of the bonds subjected to the present tax.

This rate of profit to be realized upon untaxed circulation issued to 90 per cent of the bonds would be so large that upon circulation issued to the par of the bonds it would be necessary to reduce the tax down to three-fifths of 1 per cent before an equal profit upon par circulation could be made.

It will also be noted that exactly the same rates of profit could be made upon 90 per cent circulation taxed one-sixth of 1 per cent as could be made upon par circulation taxed three-fourths of 1 per cent.

In the judgment of the Comptroller these tables show conclusively

that by modification in forms of taxation the same relative increase in general bank-note circulation, with an emergency circulation in addition, can be obtained, while only an increase without any elasticity could be obtained under any system of uniform taxation upon par circulation.

For the purpose of indicating that within the range of the possible modification of taxation on a circulation to 90 per cent of the bonds, provision can be made for an emergency circulation of 10 per cent to the par of the bonds, while amply encouraging the increase in general note circulation desired, the Comptroller summarizes the result of calculations given more in detail hereafter.

PROFIT IN DOLLARS UPON CIRCULATION ISSUED AGAINST A DEPOSIT OF $100,000, GOVERNMENT 4 PER CENT BONDS MATURING IN 1907, AT PRESENT PRICE, BEING THE POSSIBLE AMOUNT TO BE REALIZED UNDER DIFFERENT RATES OF TAXATION IN ADDITION TO 6 PER CENT ON THE CAPITAL INVESTED IN BONDS, WITH MONEY WORTH 6 PER CENT.

On $90,000 circulation, being 90 per cent of $100,000 bonds, 1 per cent tax on circulation under present laws	$279.88
On $100,000 circulation to par of bonds, uniform 1 per cent tax	779.88
On $90,000 circulation to 90 per cent of bonds, taxed four-ninths of 1 per cent, making possible an issue of $10,000 emergency circulation, to be taxed at the rate of 2 or 3 per cent for the time issued	779.88
On $100,000 circulation to par of bonds, uniform tax of three-fourths of 1 per cent	1,029.88
On $90,000 circulation to 90 per cent of par of bonds, taxed one-sixth of 1 per cent, making possible an issue of $10,000 emergency circulation, to be taxed at the rate of 2 or 3 per cent for the time issued	1,029.88
On $100,000 circulation to par of bonds, uniform tax of three-fifths of 1 per cent	1,179.88
On $90,000 circulation to 90 per cent of par of bonds without taxation, making possible an issue of $10,000 emergency circulation, to be taxed at the rate of 2 or 3 per cent for the time issued	1,179.88

In the foregoing figures no profit is calculated as accruing upon the emergency circulation.

The Comptroller believes that the levying of a tax of one-sixth of 1 per cent upon circulation to 90 per cent of the par of the bonds and allowing the banks to issue currency to the par of the bonds by paying a tax at the rate of 2 or 3 per cent per annum on the excess up to the par when outstanding, will result in the desired increase in our general bank note issues, and provide a marked degree of elasticity in our circulation.

In this connection the Comptroller can not properly discuss the question of taxation of banks as related to the public revenues further than to say that the imposition of a tax upon the capital and surplus of the banks to offset any reduction in the tax on currency will remove any objection to his recommendation on the grounds that it lessens the share of the public burden which the banks should properly bear.

In considering the probable effect on the amount of bank circulation outstanding which will result from a change in rates of taxation it must be remembered that the calculation would properly include, if it could be safely made, an estimate of the increased price of Government bonds, which will probably be incident to a greater demand for these bonds from the banks seeking profit on circulation under the modified rate of taxation.

This increased price of bonds may be such as to negative to some degree the desired effect of an increased bank note circulation, since it will tend to lessen the profits on circulation. It must be remembered, however, that this objection can be made to any method of increasing the apparent profits on bank note circulation, including the method of authorizing issues to par, subject to a uniform tax.

The Comptroller believes that from the passage of laws altering, as suggested, the rate and method of taxation of national-bank notes, an increase of at least $100,000,000 may be reasonably expected.

Based upon our present bond-secured bank note circulation, which amounts to about $207,000,000, and this added amount, we would have, under such laws, an available bond-secured emergency circulation of at least $30,000,000

As a summary of his views on this subject, the Comptroller would call attention to the following propositions:

First. Whether or not legislation be passed providing for an uncovered emergency circulation for needed protection from the disastrous effects of panics, a very much larger degree of elasticity can be imparted to our present bond-secured bank-note currency, thus making it of greater use in seasons of the year in which the demand for currency is above the normal, and of invaluable assistance in times of panic.

Second. This result can be obtained by the enactment into law of the President's recommendation that national banks be allowed to issue to the par of the Government bonds deposited by them as security, and by the modification of the present tax upon national banks as follows:

After determining approximately the lowest rate of profit which will call into circulation the additional amount of national-bank notes deemed necessary for public convenience, this rate of profit should be reached by lessening or shifting to the franchise of banks the present 1 per cent tax on circulation to 90 per cent of the par of the Government bonds securing it. A tax of 2 or 3 per cent should then be levied on the excess of circulation over 90 per cent of the bonds, which will make of such excess circulation a secured emergency circulation only to be used when it becomes a public necessity, and not as a means of profit by the banks under normal conditions.

The general increase in bank circulation desired being possible of attainment through the lowering of the tax on the 90 per cent circulation, this additional tax on the 10 per cent excess circulation to the par of the bonds will not materially interfere with such general increase, and will only operate to create an emergency circulation of great value.

Third. As the use of rediscounts and bills payable on the part of the Western and Southern banks at certain seasons of the year is regarded as evidencing the need of an elastic circulation, and as bearing upon the question of the measure of relief which may be expected from the bond-secured emergency circulation here recommended, the Comptroller will state that without any general increase in bank note circulation as a result of new legislation, the possible emergency circulation of $20,000,000 immediately available, based on bonds securing the present circulation, amounts to more than the combined bills payable and rediscounts of all the national banks of the United States outstanding at any time within the last three years.

If the Comptroller's estimate of a possible bond-secured emergency circulation of $30,000,000 be correct, this amount is about double the average combined bills payable and rediscounts of the entire national system outstanding within that period.

As the elastic and uncovered issues of the joint-stock banks of England, Scotland, and Ireland, comprising all the uncovered bank notes there issued, may be cited as illustrating the advantages of an elastic circulation, the Comptroller would also call attention to the fact that these entire issues are but a small amount more than the $20,000,000 bond-secured emergency circulation which would be immediately available on existing bond deposits in the United States under the legislation recommended. And with an increase in general bank note circulation, resulting from modified laws, we would probably have a bond-secured emergency circulation in this country larger than the emergency circulation of the joint-stock banks of England, Scotland, and Ireland, which is secured only by the general assets of the banks, without preference over other creditors.

Fourth. Even if a special uncovered emergency circulation be provided, to be used only in case of panics, the plan here suggested of changing the taxation and issues of secured bank notes will afford an elastic circulation of value in times of money stringency not approaching the severity of a panic.

With or without the legislation for the special uncovered emergency circulation, the bond-secured emergency circulation will be of great public use.

Fifth. If provision be made for an uncovered emergency circulation for use in times of panic, subject to a tax so large as to be repressive at all other times, the 10 per cent bond-secured emergency circulation herein recommended might be taxed at the rate of 2 per cent per annum for the time issued instead of at the rate of 3 per cent, thus allowing its freer use under more normal conditions. But if no uncovered circulation for panics be provided, the more repressive tax of 3 per cent seems desirable upon the bond-secured emergency circulation.

Sixth. There is no need, under normal conditions, of a large amount of emergency circulation or a high degree of elasticity in bank note circulation. The immense volume of checks, drafts, and bills of exchange, based upon the assets of banks and often called bank-credit currency, expands and contracts in accordance with the demand of trade and business, and is the medium through which the great bulk of the business of our country is transacted. It is extremely elastic, and varies in amounts at different seasons of the same year. It is generally amply adequate to the business needs of the country, except in times of disturbed confidence and financial panic.

Seventh. The issuance of bank asset notes under normal conditions and in the present development of our banking system can not be justified by the plea that without them the needed elasticity of bank-note currency can not be obtained. Nothing except the avoidance of panic can at present justify any experiments with bank asset currency. When authorized for use in times of panic the notes should be so heavily taxed that they can circulate only while a panic lasts, and like clearing-house certificates should be a remedy simply for a rare emergency.

In seeking the theoretical advantages of fluidity in bank circulation we should take no risks with its solidity.

The following table, to which reference has already been made, shows the calculation in detail of profits on bond-secured national bank note circulation under the present and different methods of taxation and issue:

PROFIT ON NATIONAL BANK CIRCULATION, SECURED BY $100,000 UNITED STATES 4 PER CENT BONDS OF 1907 COSTING $113,125, MONEY BEING WORTH 6 PER CENT: FIRST, WITH CIRCULATION 90 PER CENT OF BONDS, TAX 1 PER CENT; SECOND, CIRCULATION PAR OF BONDS, TAX 1 PER CENT; THIRD, CIRCULATION 90 PER CENT OF BONDS, TAX FOUR-NINTHS OF 1 PER CENT; FOURTH, CIRCULATION PAR OF BONDS, TAX THREE-FOURTHS OF 1 PER CENT; FIFTH, CIRCULATION 90 PER CENT OF BONDS, TAX ONE-SIXTH OF 1 PER CENT; SIXTH, CIRCULATION PAR OF BONDS, TAX THREE-FIFTHS OF 1 PER CENT; AND SEVENTH, CIRCULATION 90 PER CENT OF BONDS, WITH NO TAX.

Amount of circulation on $100,000 in bonds costing $113,125.	Receipts.			Deductions.				Net receipts.	Interest on capital invested.	Yearly profit on circulation in excess of interest on the investment.
	Interest on circulation at 6 per cent.	Interest on bonds.	Gross receipts.	Tax.	Expenses.	Sinking fund to retire premium on bonds.	Total deductions.			
90 per cent. $90,000	$5,400	$4,000	$9,400	1 per cent. $900	$62.50	$1,370.12	$2,332.62	$7,067.38	$6,787.50	$279.88
Par. $100,000	6,000	4,000	10,000	1 per cent. $1,000	62.50	1,370.12	2,432.62	7,567.38	6,787.50	779.88
90 per cent. $90,000	5,400	4,000	9,400	4/9 of 1 per cent. $400	62.50	1,370.12	1,832.62	7,567.38	6,787.50	779.88
Par. $100,000	6,000	4,000	10,000	3/4 of 1 per cent. $750	62.50	1,370.12	2,182.62	7,817.38	6,787.50	1,029.88
90 per cent. $90,000	5,400	4,000	9,400	1/6 of 1 per cent. $150	62.50	1,370.12	1,582.62	7,817.38	6,787.50	1,029.88
Par. $100,000	6,000	4,000	10,000	3/5 of 1 per cent. $600	62.50	1,370.12	2,032.62	7,967.38	6,787.50	1,179.88
90 per cent. $90,000	5,400	4,000	9,400	No tax.	62.50	1,370.12	1,432.62	7,967.38	6,787.50	1,179.88

REPEAL OF SECTION 9 OF ACT OF JULY 12, 1882.

Section 9 of the act of July 12, 1882, prohibits the increase of bank circulation within six months after the deposit of lawful money to reduce circulation. The repeal of this section is necessarily precedent to any reform in national banking currency which provides for a greater elasticity, and is recommended. Even under the present laws a greater elasticity will be incident to our national-bank note issues if this section be repealed. A plethora of money leads the banks to retire their currency, and when a money stringency afterwards occurs there should be no unnecessary obstructions to an increase by the banks of their note issues, then doubly important to the needs of the business community.

REMEDY FOR DELAY IN FILLING ORDERS FOR BANK-NOTE CURRENCY.

The Comptroller would respectfully call attention to the very great importance of an appropriation to increase the size of the vaults for the storage of incomplete national-bank currency in this Bureau in order to enable it to respond to the demand of the banks and the business community for circulating notes in case of sudden need. With the present inadequate facilities for storage, a sufficient amount of incomplete currency can not be kept on hand, and as it requires from twenty-five to thirty days to complete an order received from a bank for bank-note plate printing, the public and the banks are frequently put to great inconvenience by this necessary delay. In the panic of 1893 the suffering and damage to which the business community and the banks of the country were put, because of the fact that there had not been provided for this Bureau a few feet additional of needed storage room, can be inferred from the fact that of total orders for currency during the panic, amounting to $42,000,000, orders for over $11,000,000 were countermanded, the crisis of the money panic having passed before the twenty-five days necessary for the preparation of the currency had expired. With additional storage room, the Bureau will be enabled to keep on hand a sufficient stock of incomplete currency, so that orders from the banks can be filled upon receipt without delay.

LIMITATION OF LOANS.

In his last report the Comptroller called attention to the desirability of a modification of the law limiting certain loans to 10 per cent of the capital of the bank, and pointed out that the effect of this provision was to encourage the making of loans, large in proportion to their total assets, in smaller banks and smaller communities, while it prohibited such loans in the larger cities where they could be made in accordance with the urgent demands of trade and consistent with the soundest banking principles. He pointed out that the defective and unequal working of the present provision was due to the greater ratio borne by banking resources to banking capital in the larger communities as compared with the like ratio in smaller communities.

The present section of the law regulating excessive loans should be so altered as to allow the banks of larger communities to have more nearly the privilege of loaning a given per cent of their total assets to one individual, which now belongs, under a strict compliance with the present provision, to the banks of the smaller communities. The law against excessive loans should then be made enforceable by the enactment of an amendment providing a penalty for infractions.

The Comptroller, as before, would recommend that section 5200 of the Revised Statutes be amended by adding after the words "shall at no time exceed one-tenth part of the amount of the capital stock of such association actually paid in" the following words:

Provided, That the restriction of this section as to the amount of total liabilities to any association, of any person, or of any company, corporation, or firm for money borrowed, shall not apply where a loan in excess of one-tenth part of the capital stock shall be less than 2 per cent of the total assets of said bank at the time of making said loan. Said loan shall be at all times protected by collateral security equal to or greater in value than the excess in the amount of said loan over one-tenth of the capital stock.

A strict penalty should then be provided for infractions of the amended section.

NATIONAL BANKS OF $25,000 CAPITAL.

In accordance with the recommendation of the President and the Secretary of the Treasury, and for the purpose of affording our smaller communities the business advantages incident to increased banking facilities, the Comptroller would urge the enactment of laws authorizing the organization of national banks with a capital of $25,000 in towns of 2,000 or less population.

NATIONAL BANK EXAMINATIONS.

The work of the corps of national-bank examiners during the year is worthy of special commendation. It is of course improper, for obvious reasons, for the Comptroller to point out the specific cases where, through the instrumentality of the examiners and their notification to directors of dangerous practices on the part of active bank officers, institutions have been protected from grave danger of insolvency.

During the year a system of special examinations has been on trial with advantageous results in marked instances. There has been utilized throughout the country special expert examiners, and an effort is being made through them to better supervise the work of local examiners as well as to add to the information of the Comptroller as to the condition of the national banks. The exchange of lists of banks for examination among examiners has been more frequent than heretofore, although the more exact knowledge of local credits, possible to a local examiner, limits the extent to which this can be done consistent with the best results.

In connection with the efforts of the Comptroller to determine the safety of loans, examiners have been requested to keep a convenient and uniform tabulation of approximate lines of larger credits extended by the banks for his reference.

The benefit to the service resulting from the fund for special examinations of national banks, an increase in which was granted by Congress, as recommended in the last report of the Comptroller, has been material. By means of this fund investigations were conducted which resulted in decisive action by the Comptroller in relation to the affected banks, which investigations and resultant information would have been otherwise impracticable. While this fund is small, the benefits derived from it merit special mention.

The Comptroller recommends an increase in the annual fund provided for examinations of bank-note plates, and for the compensation of examiners engaged in special examinations of $2,000, making the fund $5,000 instead of $3,000, as at present.

INTERNATIONAL AND INTERCOLONIAL BANKING.

In his last report the Comptroller called attention to the need of laws authorizing and regulating banks for the transaction of international and intercolonial banking, and recommended the establishment of a commission to investigate banking and commercial conditions in the new possessions of the United States with a view to obtaining more exact knowledge of the nature of the banking legislation essential to the best interests of these new possessions, and to our own country in its business relations with them.

The past year has emphasized the need of such legislation, and the Comptroller again calls attention to the disadvantage at which our country is placed by the lack of proper banking facilities, not only in South American commerce, but in our commerce with our new possessions.

The need of banking facilities to care for the rapidly growing business between the United States and the territories over which she now exercises sovereignty is such that of necessity banking institutions have already been established over which there is little or no Governmental supervision.

The earlier that intelligent and careful consideration can be given by Congress to the question of banking legislation for the new possessions, both for the local regulation of their domestic systems and the regulation of their banking relations with the United States, the better it will be for the domestic prosperity and trade relations of both.

For purpose of reference, and through the courtesy of the Secretary of the Treasury and the Secretary of War, and others, the Comptroller publishes, in an appendix to this report, information relative to financial conditions in Cuba and Porto Rico, including extracts from the report of Special Commissioner Edward W. Harden, who has gathered information relative to financial and banking conditions in the Philippines, all of which indicates the necessity and desirability of early action by Congress upon this important subject.

The Comptroller would renew his recommendations of one year ago that laws be passed authorizing the incorporation of banks organized for the purpose of carrying on international and intercolonial banking, as distinguished from domestic banking, and that as preliminary thereto a commission be established to investigate local conditions and report upon the nature of the legislation best adapted for the interests of this country and her new possessions.

In this connection he would again call attention to the existing situation by quoting briefly from his last report:

> Unless some such legislation is provided, the American exporter and importer, in his trade with America's own colonies, will be compelled to endure all the disadvantages under which, in all South American markets and in many other markets of the world, he now labors in his competition with foreigners enjoying superior banking facilities.
>
> When, by means of international banks and their branches, the proper banking facilities are afforded those engaged in foreign trade, they transact their business with these banks in much the same manner as the domestic shippers of the United States transact business with our present banks.
>
> The American in his South American trade, as compared with the foreigner in the same line of business, is subjected to the same relative disadvantages as are experienced by a domestic shipper without banking facilities, as compared with another who possesses them.
>
> Domestic dealers in supplies, in good credit, may make contracts with domestic wholesale purchasers in good credit for the sale and shipment of goods, for which the consignee gives his acceptance, payable at different intervals, sometimes months after the delivery to him of the shipment.
>
> The consignor discounts this accepted draft, given him for the goods, with his bank, thus receiving his capital at once for reinvestment and enabling him to transact a larger business than if the capital invested in the goods was locked up until the maturity of the acceptance. On the other hand the consignee has the difference between the time of the arrival of the shipment and the maturity of the draft to sell the goods and to collect from the purchaser all or a portion of the amount necessary to pay the draft.
>
> The situation of the shipper without banking facilities is in sharp contrast. He must ordinarily sell for cash, instead of on credit, to the consignee, as he needs his capital in most cases for immediate reinvestment. As a result, in his competition

with his more favored rivals he is not only compelled to accept lower prices, involving smaller margins of profit, but he must do a smaller business on the same capital invested.

Thus, as compared with the English exporter, who, when his goods are shipped, can receive advances from an English international bank upon the credit of his bills of lading and of the foreign consignee, concerning whose credit the home bank, through its foreign branch, is well advised, the American shipper, in the majority of instances, is denied such privileges, and must await entire, instead of partial, reimbursement until the arrival of the goods at the foreign market and the collection of the draft for the purchase price made at the time of shipment.

In addition to this disadvantage, the American exporter and importer in his trade with South American countries transacts all his business of consequence through English banks in terms of English money, paying the rates of exchange fixed by these foreign institutions.

INSOLVENT NATIONAL BANKS.

At the date of the last annual report of this Bureau the number of national banks remaining in the hands of receivers was 158. During the past year 12 banks have been placed in the hands of receivers, and 35 receiverships terminated, leaving at the present time 135 insolvent banks in the hands of receivers appointed by the Comptroller.

The assets of these insolvent national banks at the date of the present report are of the nominal value of $39,894,770.

Special attention has been given to the reduction of expenses of the several receiverships; and in the remaining receiverships, as compared with last year, a total reduction of about $50,000 in salaries, legal and other annual expenses, has been attained. There are at this time nineteen receiverships in the hands of one receiver at Washington. The assets of this latter class of banks are nominal in value and by the plan adopted a considerable additional annual saving has been made, which goes to increase the dividends to creditors.

In addition to the number of receiverships which have been completely liquidated, 38 receiverships have been placed on the inactive list. In such cases the fixed salaries of the receivers are terminated, and they are allowed compensation only for services actually performed.

There are at present 94 receivers who have in charge the assets of the 135 insolvent banks, a number of such receivers administering upon the affairs of two or more banks.

The 12 national banks which failed during the year makes a total of 387 failures from the organization of the Bureau to the date of this report, including 17 banks restored to solvency.

The policy of consolidating two or more banks and placing them in the hands of one receiver in the same city or locality has been found to be satisfactory, inasmuch as it results in the saving of salaries of receivers and in a lessening of legal and other expenses.

The administration of all insolvent banks is well advanced, and within a few months a number of receiverships will be closed.

In the appendix to the Annual Report of the Comptroller of the Currency will be found a table showing the nominal value of the assets of the banks that have been or are being liquidated by receivers, with the collections, disbursements, claims proved, and dividends paid.

For the purpose, however, of indicating the general cost of administration of the affairs of insolvent banks in the hands of the Government there is presented herewith a summary of the tables given in detail in the appendix to the Annual Report of the Comptroller of the Currency:

NOMINAL ASSETS AT DATE OF SUSPENSION.

Estimated good	$79,376,277
Estimated doubtful	71,154,423
Estimated worthless	53,538,125
Additional assets secured since suspension	31,567,953
Total assets	235,636,778

DISPOSITION OF ASSETS.

Offsets allowed and settled	$17,436,261
Losses on assets compounded or sold under order of court	70,721,452
Nominal value of assets returned to stockholders	5,966,121
Nominal value of remaining assets	39,894,770
Collected from assets	101,618,174
Total	235,636,778
Collected from assets as above	101,618,174
Collected from assessments upon shareholders	16,166,815
Total collections from all sources	117,784,989

DISPOSITION OF COLLECTIONS.

Loans paid and other disbursements	$21,106,742
Dividends paid	83,087,236
Legal expenses	3,571,685
Receivers' salaries and all other expenses	6,095,799
Cash on hand	2,604,290
Cash returned to stockholders	1,319,237
Total	117,784,989
Total amount assessed against shareholders	37,032,070
Total amount of claims proved	127,002,895
Percentage of collections from assets, including offsets allowed	60.82
Percentage of collections from assessments upon stockholders	43.65
Percentage of legal expenses to collections from all sources, including offsets	2.64
Percentage of all other expenses to collections from all sources, including offsets	4.51
Percentage of total expenses to collections from all sources, including offsets	7.15

Ruling as to second assessment upon stockholders and rebate to stockholders in case of incorrect assessments.—Since the inauguration by the Comptroller of the rule of making a second assessment upon stockholders of an insolvent national bank when the first assessment, through miscalculation of the value of assets, was less than the legal liability of the stockholders, and of rebating to the stockholders any excess beyond their legal liability which had been mistakenly collected through like error, as was delineated in the report of 1898, the stockholders of 10 insolvent banks have been subjected to a second assessment aggregating in amount the sum of $386,000. In the same period of time there has been rebated to stockholders of 6 insolvent banks a sum aggregating $46,831.37 in cases where the amount realized from the first assessment was greater than the individual liability of each stockholder.

The power of the Comptroller, under his ruling, to make the second assessment has been tested in four courts of competent jurisdiction. In two different circuit courts of the United States and in the circuit court of appeals of the ninth circuit the action of the Comptroller has been sustained, and in one circuit court of the United States the power of the Comptroller to make subsequent assessments was denied. The last mentioned case will be appealed to the circuit court of appeals.

INVESTIGATION AS TO LOAN AND DEPOSIT ACCOUNTS, RATES OF INTEREST, AGGREGATE DEPOSITS AND LOANS OF ALL BANKS OF THE UNITED STATES.

During the past year the Comptroller has made an effort to gather statistics which would best evidence the later growth and development not only of the national banking system, but of the other banking institutions of the country operating under State laws. In this connection he has instituted an investigation as to the number of loans and deposit accounts, the interest received on loans and paid on deposits, and the amount of loans and deposits of the banks of all systems in the United States in the years 1889, 1894, and 1899. A compliance with the request for information which he has made upon the banks of the country has involved them in much clerical labor, and the very general response which has been made by them is indicative of much public spirit on their part.

As compliance with requests for statistical information of the nature asked is a matter wholly optional with the banks, the Comptroller desires to express his appreciation of the courtesy of the institutions whose labor voluntarily performed has enabled him to present to the public statistics which he believes to be of economic value.

No detailed investigation into the total number of bank loans and deposit accounts in the United States has heretofore been made, and the results of this investigation are instructive and significant.

A copy of the blank furnished by the Comptroller to be filled in by the reporting banks is given herewith.

Charter No. ———
(Location) ——— ———
Date ——— —, 1899.

The COMPTROLLER OF THE CURRENCY,
Washington, D. C.

SIR: In compliance with your request of June 30, I give herewith the data desired with respect to the number of depositors in and number of borrowers from this the ——— Bank, ———, together with the amount of deposits, loans, and the average rates of interest paid and received, as shown by the books on the dates indicated.

Dates.	Individual deposits, including certificates of deposit.			Loans and discounts, including overdrafts.		
	Number of depositors.	Amount of deposits. (Omit cents.)	Average rate per cent of interest paid on deposits.	Number of borrowers.	Amount of loans and discounts. (Omit cents.)	Average rate per cent of interest received on loans.
July 12, 1889						
July 18, 1894						
June 30, 1899						

Population of this place at date of latest census, ———.

———, *Cashier,*
——— *Bank.*

In considering the deductions to be drawn from the figures herewith presented, it must be remembered that allowance should be made for those individuals or corporations who use more than one bank for both borrowing and depositing. There was, of course, no way practicable in which exact information upon this subject could be obtained, and unquestionably certain borrowers and depositors have been counted twice or more times, since several banks may have included the same person as a borrower or depositor in making their returns to the Comptroller. The actual number of depositors and borrowers is, of

course, much less than the number of deposit and loan accounts which are indicated by the tables given herewith; and considering the number of corporations doing a large business through agents keeping local deposits for branch offices, as well as the other causes for duplication of deposits and loans for account of the same individual or corporation, the Comptroller is unable to arrive at a satisfactory basis for estimating the per cent of allowance to be made in determining the approximate number of individual depositors and borrowers.

In the tables given only the banks from which the Comptroller was able to secure either a detailed report, in response to his circular, or a statement of condition have been included as a basis for estimates. But, in conjunction with the reports, statistics as to number and capital of banks given in the annual report of the Commissioner of Internal Revenue furnish a basis for an estimate as to the deposit accounts, aggregate deposits, loans, capital, and number of loans of the combined banking systems of the United States, as will appear hereinafter.

The Comptroller has received answers to his inquiries from about two-thirds of the banks composing the national system. With these banks, as with the banks other than national, he has based his estimates as to all banks upon the ratios found to exist in the reporting banks. Since the Comptroller has the general statement of financial conditions of the nonreporting banks, these estimates may be considered as fairly reliable.

As illustrating the method of arriving at these estimates, the probable number of deposit accounts in the national banks of the United States on June 30, 1899, is arrived at as follows:

On that date, 2,417 of these banks having reported deposit accounts numbering 1,991,183, and deposits amounting to $1,830,116,140, the average deposit of the reporting banks is found by dividing the amount of the deposits by the number of accounts, giving an average deposit of $919.

The total outstanding individual deposits of the entire national system of 3,583 banks, as shown by their published reports of condition June 30, 1899, amount to $2,522,157,509, and this sum is then divided by $919, giving the estimated number of deposit accounts for the entire system on that date as 2,744,459.

The same method, using total loans and discounts as a basis, is pursued in estimating the total number of loans of the national system. This method is also used in estimating the number of deposit accounts and loans in banking institutions other than national.

For the reason that the proportion of banks, other than national, responding to the Comptroller's inquiries is not so large as in the case of the national banks, the same degree of accuracy can not be claimed for the estimates relating to other banks as for those relating to the national system. Yet so large a number of these banks have reported that the estimates based upon their returns are considered to be of value.

The manifest disadvantages under which this investigation has been made emphasize the importance, in the interests of banking and financial knowledge, of more intimate relations between the State officers supervising the different State banking systems and the Comptroller. It has been the constant effort of the Comptroller and his predecessors to establish with these officers those relations most conducive to mutual exchange of information and cooperation in bank supervision where circumstances required. Gratifying progress has been made, but much

room for improvement still remains. The great totals here given indicate the wonderful banking and financial strength of the country and its people, and in the interest of the common good, as well as of financial science, and as something due to ourselves and the world, it is fitting that we strive to more exactly and completely gather and tabulate the facts here of necessity somewhat roughly estimated.

For their able and discriminating cooperation in tabulating and systematizing the thousands of reports received in connection with this inquiry, the Comptroller desires to acknowledge his indebtedness to Mr. W. J. Fowler, the chief of the organization division of the Bureau, and his assistants. Among the general deductions to be made from this investigation may be mentioned the following:

First. That the number of individual depositors in the banks of the United States is constantly increasing, as indicated by the regular increase in the number of deposit accounts of the different systems estimated as follows:

Date.	Banks, etc.	Number of banks reporting.	Estimated number of depositors' accounts.
July 12, 1889	National banks	3,239	1,650,044
July 18, 1894	.....do	3,770	2,071,360
June 30, 1899	.....do	3,583	2,744,459
July 12, 1889	Savings banks	849	3,811,059
July 18, 1894	.....do	1,024	4,818,247
June 30, 1899	.....do	942	5,207,653
July 12, 1889	State and private banks	2,995	1,071,267
July 18, 1894	.....do	4,490	1,699,958
June 30, 1899	.....do	4,947	2,838,326
July 12, 1889	Loan and trust companies	120	177,601
July 18, 1894	.....do	224	404,201
June 30, 1899	.....do	260	642,198
July 12, 1889	Total all banks reporting	7,203	6,709,971
July 18, 1894	.....do	9,508	8,993,766
June 30, 1899	.....do	9,732	11,432,636

Estimated grand total for the year 1899, based upon banks reporting as above and statistics as to nonreporting banks obtained from tax returns to the Commissioner of Internal Revenue: Number of banks, 12,804; depositors' accounts, 13,153,874.

Second. That there is a demand from borrowers for the use of the greater proportion of the deposits of banks, and while the number of individual borrowers is increasing, the depositors greatly outnumber the borrowers, and the increase in the number of borrowers is much less than the increase in the number of depositors, as indicated by the rate of increase in the number of loans estimated as follows:

Date.	Banks, etc.	Number of banks reporting.	Estimated number of loans.
July 12, 1889	National banks	3,239	1,106,377
July 18, 1894	.....do	3,770	1,332,722
June 30, 1899	.....do	3,583	1,550,034
July 12, 1889	Savings banks	849	223,769
July 18, 1894	.....do	1,024	301,685
June 30, 1899	.....do	942	357,733
July 12, 1889	State and private banks	2,995	804,725
July 18, 1894	.....do	4,490	1,231,085
June 30, 1899	.....do	4,947	1,905,566
July 12, 1889	Loan and trust companies	120	53,670
July 18, 1894	.....do	224	75,202
June 30, 1899	.....do	260	98,331
July 12, 1889	Total all banks reporting	7,203	2,188,541
July 18, 1894	.....do	9,503	2,990,694
June 30, 1899	.....do	9,732	3,911,664

Estimated grand total for the year 1899, based upon banks reporting as above, and statistics as to nonreporting banks, obtained from tax returns to the Commissioner of Internal Revenue: Number of banks, 12,804; number of loans, 5,067,252.

Third. That the growth of the banking systems is being characterized by a gradually lessening rate of interest charged on loans, the average rates being estimated as follows:

Date.	Banks, etc.	Average rate of interest charged on loans.	Date.	Banks, etc.	Average rate of interest charged on loans.
		Per cent.			*Per cent.*
July 12, 1889	National banks	6.1	July 12, 1889	State and private banks.	7.6
July 18, 1894	.....do	5.8	July 18, 1894	.....do	7.2
June 30, 1899	.....do	5.3	June 30, 1899	.....do	6.7
July 12, 1889	Savings banks	5.2	July 12, 1889	Loan and trust companies	4.9
July 18, 1894	.....do	5.2			
June 30, 1899	.....do	4.9	July 18, 1894	.....do	5.0
			June 30, 1899	.....do	4.6

Fourth. That a gradually lessening rate of interest is being paid upon deposits, the average estimated rates, where paid, being as follows:

Date.	Banks, etc.	Average rate of interest paid on deposits.	Date.	Banks, etc.	Average rate of interest paid on deposits.
		Per cent.			*Per cent.*
July 12, 1889	National banks	3.6	July 12, 1889	State and private banks.	4.0
July 18, 1894	.....do	3.5	July 18, 1894	.....do	3.9
June 30, 1899	.....do	2.9	June 30, 1899	.....do	3.4
July 12, 1889	Savings banks	4.0	July 12, 1889	Loan and trust companies	3.6
July 18, 1894	.....do	3.7			
June 30, 1899	.....do	3.4	July 18, 1894	.....do	3.4
			June 30, 1899	.....do	3.1

Fifth. That, considering the larger clientage of national and savings banks, the average deposit of the individual or corporation is slowly increasing, as evidenced by the estimated average deposit account, as follows:

Date.	Banks, etc.	Average deposit account.
July 12, 1889	National banks	$874
July 18, 1894	.....do	810
June 30, 1899	.....do	919
July 12, 1889	Savings banks	379
July 18, 1894	.....do	369
June 30, 1899	.....do	419
July 12, 1889	State and private banks	551
July 18, 1894	.....do	426
June 30, 1899	.....do	433
July 12, 1889	Loan and trust companies	1,687
July 18, 1894	.....do	1,166
June 30, 1899	.....do	1,301

Sixth. That the average size of the loans, all classes of banks considered, has not varied much in the last decade, the estimates being as follows:

Date.	Banks, etc.	Average amount of loan.
July 12, 1889	National banks	$1,608
July 18, 1894	do	1,459
June 30, 1899	do	1,618
July 12, 1889	Savings banks	3,591
July 18, 1894	do	3,404
June 30, 1899	do	3,071
July 12, 1889	State and private banks	747
July 18, 1894	do	577
June 30, 1899	do	505
July 12, 1889	Loan and trust companies	5,432
July 18, 1894	do	4,980
June 30, 1899	do	6,092

Seventh. That the growth in the aggregate of individual deposits has been as follows:

Date.	Banks, etc.	Number of banks reporting.	Total deposits.
July 12, 1889	National banks	3,239	$1,442,137,979
July 18, 1894	do	3,770	1,677,801,201
June 30, 1899	do	3,583	2,522,167,509
July 12, 1889	Savings banks	849	1,444,391,325
July 18, 1894	do	1,024	1,777,933,242
June 30, 1899	do	942	2,182,006,424
July 12, 1889	State and private banks	2,995	590,268,199
July 18, 1894	do	4,490	724,182,043
June 30, 1899	do	4,947	1,228,995,364
July 12, 1889	Loan and trust companies	120	299,612,899
July 18, 1894	do	224	471,298,816
June 30, 1899	do	260	835,499,064
July 12, 1889	Total all banks reporting	7,203	3,776,410,402
July 18, 1894	do	9,508	4,651,215,302
June 30, 1899	do	9,732	6,768,658,361

Estimated grand total for the year 1899, based upon banks reporting as above, and statistics as to nonreporting banks obtained from tax returns to the Commissioner of Internal Revenue: Number of banks, 12,804; total deposits, $7,513,954,361.

Eighth. That the growth in aggregate loans has been as follows:

Date.	Banks, etc.	Number of banks reporting.	Total loans and discounts.
July 12, 1889	National banks	3,239	$1,779,054,528
July 18, 1894	do	3 770	1,944,441,315
June 30, 1899	do	3,583	2,507,954,980
July 12, 1889	Savings banks	849	803,554,096
July 18, 1894	do	1,024	1,026,937,808
June 30, 1899	do	942	1,098,598,589
July 12, 1889	State and private banks	2,995	601,129,314
July 18, 1894	do	4,490	739,186,087
June 30, 1899	do	4,947	962,311,008
July 12, 1889	Loan and trust companies	120	291,534,324
July 18, 1894	do	224	374,504,202
June 30, 1899	do	260	599,031,033
July 12, 1889	Total all banks reporting	7,203	3,475,272,262
July 18, 1894	do	9,508	4,085,069,412
June 30, 1899	do	9,732	5,167,895,610

Estimated grand total for the year 1899, based upon banks reporting as above and statistics as to nonreporting banks obtained from tax returns to the Commissioner of Internal Revenue: Number of banks, 12,804; total loans and discounts, $5,751,467,610.

By further reference to the tables printed hereinafter the number of banks of each class reporting in response to the request of June 30, 1899, may be found, and detailed statements showing the basis for the estimates above given.

NUMBER OF BANKS, BY CLASSES, REPORTING IN RESPONSE TO REQUEST OF JUNE 30, 1899, RELATIVE TO NUMBER OF DEPOSITORS' ACCOUNTS, AMOUNT OF DEPOSITS, INTEREST RATES ON THE DATES INDICATED, THE TOTAL AMOUNT OF DEPOSITS AS SHOWN BY REPORTS OF CONDITION ON THE SAME OR APPROXIMATE DATES, AND THE ESTIMATED NUMBER OF DEPOSITORS' ACCOUNTS.

NATIONAL BANKS.

Banks reporting in response to request of June 30, 1899.						Banks from which reports of condition were received, including those reporting in response to request of June 30, 1899.		
Date.	Number.	Number of depositors' accounts reported.	Total individual deposits of banks reporting number of deposit accounts.	Average deposit account.	Average interest rate.	Total number of banks.	Total individual deposits.	Estimated number of depositors' accounts.
July 12, 1889.....	1,800	1,076,607	$940,939,440	$874	[illegible]	3,239	$1,442,137,979	1,650,044
July 18, 1894.....	2,236	1,424,966	1,155,191,588	810	3.5	3,770	1,677,801,201	2,071,360
June 30, 1899	2,417	1,991,183	1,630,116,140	919	2.9	3,688	2,522,137,669	2,744,459

STATE AND PRIVATE BANKS.

July 12, 1889.....	765	265,291	$146,308,150	$551	4	2,995	$599,268,199	1,071,267
July 18, 1894.....	1,445	502,756	214,442,510	426	3.9	4,490	724,182,043	1,699,958
June 30, 1899	2,314	966,394	418,231,267	433	3.4	4,917	1,228,995,364	2,838,326

LOAN AND TRUST COMPANIES.

July 12, 1889.....	52	73,484	$123,994,590	$1,687	3.6	120	$299,612,899	177,601
July 18, 1894.....	130	205,368	239,504,842	1,166	3.4	221	471,298,816	404,201
June 30, 1899	181	443,321	576,724,117	1,301	3.1	260	835,499,064	642,198

SAVINGS BANKS.

July 12, 1889.....	452	2,646,491	$1,004,596,854	$379	4	849	$1,444,891,925	3,811,059
July 18, 1894.....	592	3,415,477	1,261,460,416	369	3.7	1,021	1,777,955,242	4,818,247
June 30, 1899.....	712	4,254,516	1,782,974,485	419	3.4	942	2,182,006,424	5,207,053

TOTAL STATE AND PRIVATE BANKS, LOAN AND TRUST COMPANIES, AND SAVINGS BANKS.

July 12, 1889.....	1,269	2,985,266	$1,274,899,594	.....	.....	3,964	$2,334,272,423	5,059,927
July 18, 1894.....	2,167	4,123,601	1,715,387,818	.....	.....	5,588	2,973,414,101	6,922,406
June 30, 1899.....	3,207	5,664,231	2,777,979,869	.....	.....	6,119	4,246,500,852	8,688,177

TOTAL ALL BANKS.

July 12, 1889.....	3,069	4,061,873	$2,215,839,034	.....	.....	7,203	$3,776,410,402	6,709,971
July 18, 1894.....	4,103	5,546,567	2,870,389,406	.....	.....	9,508	4,691,215,302	8,993,766
June 30, 1899.....	5,624	7,655,414	4,408,096,009	.....	.....	9,732	6,768,658,361	11,432,636

NUMBER OF BANKS, BY CLASSES, REPORTING, IN RESPONSE TO REQUEST OF JUNE 30, 1899, RELATIVE TO NUMBER OF LOANS, AMOUNT OF LOANS AND DISCOUNTS, INTEREST AND DISCOUNT RATES ON THE DATES INDICATED, THE TOTAL AMOUNT OF LOANS AND DISCOUNTS AS SHOWN BY REPORTS OF CONDITION ON THE SAME OR APPROXIMATE DATES, AND THE ESTIMATED NUMBER OF LOANS.

NATIONAL BANKS.

Banks reporting in response to request of June 30, 1899.						Banks from which reports of condition were received including those reporting in response to request of June 30, 1899.		
Date.	Number.	Number of loans reported.	Total loans and discounts of banks reporting number of loans.	Average loan.	Average interest rate.	Total number of banks.	Total loans and discounts.	Estimated number of loans.
					P. ct.			
July 12, 1889	1,800	642,851	$1,033,529,239	$1,608	6.1	3,239	$1,779,054,528	1,106,377
July 18, 1894	2,236	809,676	1,181,308,075	1,459	5.8	3,770	1,944,441,315	1,332,722
June 30, 1899	2,417	1,028,385	1,664,172,965	1,618	5.3	3,583	2,507,954,980	1,550,034
STATE AND PRIVATE BANKS.								
July 12, 1889	765	172,819	$129,107,680	$747	7.6	2,995	$601,129,314	804,725
July 18, 1894	1,445	332,230	191,677,897	577	7.2	4,490	739,186,087	1,281,085
June 30, 1899	2,314	630,601	318,336,084	505	6.7	4,947	962,311,008	1,905,566
LOAN AND TRUST COMPANIES.								
July 12, 1889	52	17,377	$94,395,202	$5,432	4.9	120	$291,534,324	53,670
July 18, 1894	130	32,336	161,034,302	4,980	5.0	224	374,504,202	75,202
June 30, 1899	181	58,916	358,932,167	6,092	4.6	260	599,031,033	98,331
SAVINGS BANKS.								
July 12, 1889	452	156,261	$561,136,040	$3,591	5.2	849	$803,554,096	223,769
July 18, 1894	592	216,172	735,908,720	3,404	5.2	1,024	1,026,937,808	301,685
June 30, 1899	712	310,295	953,108,181	3,071	4.9	942	1,098,598,589	357,733
TOTAL STATE AND PRIVATE BANKS AND LOAN AND TRUST COMPANIES AND SAVINGS BANKS.								
July 12, 1889	1,269	346,457	$784,638,922	.....	.....	3,964	$1,696,217,734	1,082,164
July 18, 1894	2,167	580,738	1,088,620,919	.....	.....	5,738	2,140,628,097	1,657,972
June 30, 1899	3,207	999,812	1,630,376,432	.....	.....	6,149	2,659,940,630	2,361,630
TOTAL ALL BANKS.								
July 12, 1889	3,069	989,308	$1,818,168,161	.....	.....	7,203	$3,475,272,262	2,188,541
July 18, 1894	4,403	1,390,414	2,269,928,994	.....	.....	9,508	4,085,069,412	2,990,694
June 30, 1899	5,624	2,028,197	3,294,549,397	.....	.....	9,732	5,167,895,610	3,911,664

From the foregoing tables it will be seen that information relative to the resources and liabilities of incorporated and private banks in 1899 has been received from 9,732 such institutions. By reference to the annual report of the Commissioner of Internal Revenue for the year 1899 it is found that 12,804 banks and bankers paid tax on capital and surplus under the war-revenue act of June 13, 1898. This indicates that there are practically 3,000 incorporated and private banks in the country relative to whose condition no definite knowledge was obtainable, the cause being in many instances a lack of State laws requiring

statements of condition. From an estimate based upon the returns to the Internal-Revenue Bureau the capital of all banks of all kinds is approximately $1,150,000,000, and on the assumption that the capital, loans, and deposits of the 3,000 nonreporting banks will average about the same as of the State and private banks from which reports have been received, the aggregate capital of the nonreporting banks is $180,000,000; loans, $583,572,000; and deposits, $745,296,000. Adding these amounts to loans and discounts, respectively, of reporting banks, makes the estimated aggregate loans of all banks for 1899 $5,751,467,610, and deposits $7,513,954,361.

Assuming that the average loans and deposits of nonreporting banks are the same as in State and private banks from which returns have been received, their total estimated number of loans is 1,115,588, and deposit accounts 1,721,238, which, added to the results given in the tables for reporting banks, makes the estimated total loans in all banks of the country for 1899 5,067,252, and the estimated number of deposit accounts 13,153,874.

LOST AND DESTROYED NATIONAL-BANK NOTES.

For the purpose of ascertaining the approximate gain to the Government on account of lost or destroyed national-bank notes, which, under the law, inure to its benefit, some research has been made. This examination is necessarily incomplete, but it can be regarded as fairly indicative of the average rate of loss of notes. From the date of the organization of the national-banking system to the close of the year 1869, covering a period of six years, 15 national banks were declared insolvent and placed in the hands of receivers. The total outstanding circulation of these banks at the date of failure was $1,554,490, of which amount there had been presented to the Department for redemption up to October 31, 1898, $1,548,262, leaving outstanding of the original amount only $6,138. As this is at the rate of only 3.9 mills on the dollar, or a little less than two-fifths of 1 per cent, and as unquestionably some portion of this small amount will yet be presented for redemption, it is safe to conclude that the gain to the Government on account of lost, destroyed, and unredeemed national-bank notes is very small.

ORGANIZATION OF NATIONAL BANKS.

On October 31, 1898, there were in existence 3,598 national banks, with authorized capital stock of $624,552,195. During the year ended October 31, 1899, 78 banks, with capital of $16,495,000, were organized, and 15 associations increased their capital stock, in the aggregate, $2,985,000. Within the same period 66 banks, with capital of $26,510,000, were placed in voluntary liquidation by the shareholders; 12 insolvent banks, with capital of $800,000 (including 2 banks with $150,000 capital, heretofore in voluntary liquidation), were placed in the charge of receivers, and 79 banks reduced their capital to the extent of $8,994,150. These transactions occasioned a net reduction of the capital stock since October 31, 1898, of $16,024,150. The authorized capital stock of the 3,601 national banks on October 31, 1899, was $608,528,045.

The number and capital of banks organized during the past year exceed the number and capital of those in 1898 by 22 and $6,805,000,

respectively. Pennsylvania exceeds other States in point of number, 11 banks having been organized, with capital aggregating $1,760,000. Eight banks were established in Ohio, and the same number in Texas; 6 in New York; 5 in Iowa; 4 in Illinois; 3 each in Indiana, Massachusetts, Missouri, Nebraska, New Jersey, and Oklahoma; 2 each in Kentucky, Mississippi, North Carolina, West Virginia, and 1 each in Alabama, California, Indian Territory, Kansas, Louisiana, Michigan, New Hampshire, New Mexico, Wisconsin, and Virginia. In aggregate capital Massachusetts leads, with $4,500,000; followed by Ohio with $3,350,000, and Missouri with $2,150,000. In addition to the banks organized the Comptroller has approved applications for the organization, in the various States and Territories, of 36 banks, with capital aggregating $2,550,000. Of the 78 associations formed during the year 69 were primary organizations, and 9, with capital aggregating $2,250,000, were conversions of State banks. Since the establishment of the national-banking system 5,229 banks have been organized, of which 1,258 have been placed in voluntary liquidation and 387 in the charge of receivers. This indicates that only about 7 per cent of the total number of national banks organized have failed.

Twenty-two national banks, with capital stock of $3,155,000, reached the expiration of their corporate existence during the past year and renewed their charters for a further period of twenty years. During the coming year 45 associations, with capital aggregating $6,942,100, will reach the expiration of their corporate existence, and during the ten years ending December 31, 1909, the corporate existence of 1,255 banks, with capital aggregating $175,538,150, will expire. Since the passage of the act of July 12, 1882, providing for the extension of the corporate existence of national banks, renewals of charters have been granted to 1,692 banks, with capital aggregating $410,686,115.

CIRCULATION AND BONDS.

The outstanding circulation of national banks on October 31, 1899, aggregated $243,066,624, of which $207,920,774 was secured by bonds, and $35,145,850 by lawful money deposited with the Treasurer of the United States on account of liquidating and insolvent associations, and those reducing circulation. The decrease of circulation secured by bonds was $2,124,682, the increase secured by lawful money $5,562,170, and the net increase during the year $3,437,488.

The amount and kinds of bonds on deposit as security for circulation on October 31, 1899 and 1898, are shown in the following table:

Class.	1899.	1898.	Changes.	
			Increase.	Decrease.
Pacific sixes		$2,906,000		$2,906,000
Fives	$14,665,600	16,231,900		1,566,300
Fours (1907)	128,822,050	139,436,050		10,614,000
Fours (1895)	18,242,750	23,990,650		5,747,900
Twos	20,907,600	22,047,750		1,140,150
Threes	49,825,160	31,006,120	$18,819,040	
Total	232,463,160	235,618,470	18,819,040	21,743,350
Total increase				18,819,040
Net decrease				3,155,310

EARNINGS, DIVIDENDS, ETC.

Since the passage of the act of March 3, 1869, requiring every national-banking association to report within ten days after the declaration of any dividend the amount of such dividend, and the amount of net earnings in excess of such dividend, the reports issued from this Bureau have contained statements relative thereto for each semiannual period. The average capital and surplus of national banks for the year ended March 1, 1899, were $610,426,625 and $248,209,205, respectively. The gross earnings during that period were $147,031,571.36, of which $32,533,875.43 were devoted to losses and premiums; $65,382,255.18 to expenses and taxes; and $46,331,009 to the payment of dividends. The average rate of dividends to capital was 7.6 per cent, dividends to capital and surplus 5.4 per cent, and net earnings to capital and surplus 5.8 per cent.

The semiannual duty on national bank circulation during the fiscal year ended June 30, 1899, amounted to $1,991,743.31; expense of redemption of circulating notes, $121.291 (an average per $1,000 of $1.34); examiners' fees, $244,903.62. From the returns to the Commissioner of Internal Revenue, as shown by his report for 1899, the tax imposed by the war-revenue act of June 13, 1898, collected on capital and surplus of the 12,804 incorporated banks and bankers of the United States, based on the average capital and surplus during the year ended June 30, 1898, aggregated $3,750,836.99. The returns from national banks were not compiled separately in that Bureau, but an estimate based upon the average capital and surplus of such banks during the year named, as shown by reports of condition to this Bureau, indicates the payment by them of $1,752,802.

The average capital of national banks during the thirty years ended with March 1, 1899, is shown to have been $543,244,571, the average surplus $166,255,080, dividends $44,468,735, the average rate of dividends to capital 8.2 per cent, and dividends to capital and surplus 6.2 per cent.

National banks are subject to a semiannual duty of one-half of 1 per cent upon the average amount of circulating notes outstanding during the prior six months.

Under the operations of the war-revenue act of June 13, 1898, the banks are subject to the following tax: Fifty dollars per annum on capital employed not exceeding $25,000, and for every additional $1,000 in excess of $25,000 two dollars. In estimating capital surplus is included. With respect to national banks this tax amounts to one-fifth of 1 per cent.

National banks are charged with the cost of redemption of their circulating notes and for the expense of examinations.

The national bank act permits the taxation of shares of stock of national banks and the real property of associations by States, counties, and municipalities.

STATE BANKS AND BANKING INSTITUTIONS.

The Comptroller is pleased to call attention to the assistance rendered by the State officials charged with the supervision of the different State banking systems in securing statistics relating to banking systems other than the national system. In almost all cases the cooperation of the State officers was willingly and effectively given, and the very

general call made by them at the suggestion of the Comptroller for statements of State banks on June 30, 1899, enables him to present a very complete and accurate statement of the entire banking resources of the United States on that date.

The Comptroller is enabled to present in this report, for June 30, 1899, detailed information relative to the condition of 6,149 State and private banking institutions of the country, including practically 90 per cent of the incorporated banks in existence, although only about 20 per cent of the private banks and bankers. As stated, the returns are for June 30, although in a few States the returns for that date were not obtainable, State laws prohibiting calling for reports other than at fixed dates. It is satisfactory to note that official returns were received relative to incorporated banks in all of the New England and Middle States, all of the Eastern States except Delaware, all of the Southern States except South Carolina, Alabama, Arkansas, and Tennessee, and all of the Western States with the exception of South Dakota. From the last-named State official returns were received, but at too late a date for incorporation with the returns from other States. In the Pacific States official returns were received from Washington, California, and Arizona only.

In detail, information has been received relative to the condition of 4,191 State banks, 260 loan and trust companies, 942 savings banks, and 756 private banks and bankers. Abstracts of these reports, by classes, States, and geographical divisions, appear in the appendix.

To enable comparisons to be made, in the following table are shown the principal items of resources and liabilities of all reporting banks other than national for the years 1895–1899, inclusive.

Items.	1895.	1896.	1897.	1898.	1899.
Loans	$2,417,468,494	$2,279,515,283	$2,231,013,262	$2,480,874,360	$2,659,940,630
Bonds	1,375,026,625	1,210,827,389	1,248,150,146	1,304,890,322	1,527,595,160
Cash	227,743,303	169,198,601	193,094,029	194,913,450	210,884,047
Capital	422,052,618	400,831,399	380,090,778	370,073,788	368,746,648
Surplus and undivided profits	370,397,003	362,602,702	382,436,990	399,706,497	418,798,087
Deposits	3,185,245,810	3,276,710,916	3,324,254,807	3,864,797,296	4,246,500,852
Resources	4,138,990,529	4,200,124,955	4,258,677,065	4,631,328,357	5,196,177,381

By reference to the foregoing table, it is noted that the aggregate resources of the banks have increased from $4,138,990,529 in 1895 to $5,196,177,381 in 1899. There have been slight fluctuations in the capital stock and surplus accounts during the five years, but the individual deposits have increased steadily from $3,185,245,810 in 1895 to $4,246,500,852 in 1899.

In the following table is exhibited in a condensed form the principal items of assets and liabilities of national and all other banks reporting on June 30, 1899:

	3,583 national banks.	6,149 other banks.	9,732 banks.
Loans	$2,507,954,980	$2,659,940,630	$5,167,895,610
United States bonds	346,114,413	173,973,738	520,088,151
Other bonds	305,428,927	1,353,621,422	1,659,050,349
Cash	512,414,941	210,884,047	723,298,988
Capital	604,865,327	368,746,648	973,611,975
Surplus and profits	342,321,752	418,798,087	761,119,839
Deposits	2,522,157,509	4,246,500,852	6,768,658,361
Total resources	4,708,833,904	5,196,177,381	9,905,011,285

As this table indicates, information has been received from 9,732 national banks, state banks, and private banks and bankers, with resources aggregating $9,905,011,285, of which $5,167,895,610 constitute the loans and discounts, $520,088,151 United States bonds, $1,659,050,349 other bonds, stocks, and securities, and $723,298,988 cash in bank. Of the cash resources, 62 per cent is in specie, viz, gold 53 per cent and silver 9 per cent. The capital stock of the banks aggregates $973,611,975, surplus and undivided profits $761,119,839, and deposits $6,768,658,361.

In connection with the information relative to the resources and liabilities of banks other than national, an attempt was made to obtain returns relative to the amount and per cent of dividends paid. Returns with respect to this point were confined to 949 banks, with capital of $63,468,827. The amount and per cent of dividends paid were $4,871,142, and 7.7 per cent, respectively. Reports relative to dividends paid by loan and trust companies were confined to 21 corporations, with capital aggregating $5,946,100, the average rate of dividends paid being 6.05 per cent.

SAVINGS BANKS.

The savings banks of the country from which returns have been received number 942, of which 655 are mutual savings banks, the latter being institutions without capital stock operated by trustees for the exclusive benefit of the depositors. With the exception of eleven (four in Ohio, five in Indiana, and one each in West Virginia and Wisconsin), institutions of this character are located in the New England and Eastern States. The assets of these banks aggregate $2,150,717,200; the surplus fund and undivided profits accounts $165,572,734 and $19,511,471, respectively. The deposits, aggregating $1,960,709,131, are held by 5,079,732 depositors, the average deposit being $385.99.

The stock savings banks number 287, with capital aggregating $17,492,223; surplus fund and other undivided profits $8,235,114 and $1,927,720, respectively. Banks of this character hold savings deposits to the amount of $218,759,168 and deposits subject to check $2,538,125. The savings depositors number 443,870, the average account being $492.84.

The aggregate resources of the 942 mutual and stock savings banks amount to $2,400,831,472; savings deposits, $2,179,468,299; number of depositors, 5,523,602, and average deposit account $394.57. The loans of the savings banks aggregate $1,098,598,589, of which $878,126,859 are secured by real estate, $156,359,308 by collateral other than real estate, and $64,112,422 by personal and other security. The investments in United States bonds amount to $136,930,208; State, county, and municipal bonds, $512,777,336; railroad bonds and stocks, $167,998,336; bank stocks, $36,637,920; other stocks, bonds, and securities, $230,796,388.

In the appendix to the Annual Report of the Comptroller of the Currency are given statistics for the current and prior year relative to the number of depositors, amount of deposits, and average deposits by States and geographical divisions, and also of the growth of savings banks in the United States as indicated by number of institutions, amount of deposits, and number of depositors. The statistics last referred to include information with respect to the average savings-bank deposit in the years 1820, 1825, 1830, 1835, 1840, 1845 to 1899, inclusive, and the average deposit per inhabitant in each census year from 1820 to 1890, inclusive, and annually subsequent to the latter date.

The following table, taken from the last annual report of the Bank Examiner of Maine, contains information relative to the limit of deposits in mutual savings banks, average rates of interest paid on deposits, and the class of securities in which savings banks are authorized to invest their funds:

AVERAGE RATE OF INTEREST PAID TO DEPOSITORS, LIMIT OF DEPOSIT, AND MODE OF INVESTMENT OF FUNDS BY THE MUTUAL SAVINGS BANKS OF THE UNITED STATES.

States.	Average rate of interest.	Limit of deposits.	Mode of investment.
Maine	3.53	*a* $2,000	Loans on real estate and collateral security, bank stock, public funds, steam and street railroad and corporation bonds and stock.
New Hampshire	3.50	Unlimited.	Loans on real estate and collateral security, bank stock, public funds, railroad and corporation bonds and stock.
Vermont	4.00	*a* $2,000	Loans on real estate and collateral security, public funds, bank stock.
Massachusetts	4.00	*b* $1,000 a year. ($1,600 in all.)	Loans on real estate and collateral security, public funds, railroad bonds, bank stock.
Rhode Island	4.00	Unlimited.	Very slight restrictions.
Connecticut	3.95	$1,000 a year.	Loans on real estate and collateral security, public funds, railroad bonds, bank stock.
Total New England States	*c* 3.83		
New York	3.46	$3,000	Loans on real estate, United States and certain State bonds, municipal bonds of New York State and a few cities.
New Jersey	3.50	$5,000	Loans on real estate and collateral security (limited), public funds, railroad bonds.
Pennsylvania	4.00	$5,000	Loans on collateral security and real estate, public funds. (Very slight restrictions).
Delaware	4.00	$50 per month. ($2,000 in all.)	Any security.
Maryland	3.50	$500 a year.	Do.
Total Eastern States	*c* 3.69		
West Virginia	4.00	Unlimited.	Loans on real estate, United States and State bonds, municipal bonds of West Virginia.
Ohio	4.00	$5,000	Any security.
Indiana	4.50	$500 a year ($5,000 in all).	Loans on real estate, United States and State bonds, municipal bonds of Indiana.
Wisconsin	4.00	$1,000 a year.	Loans on real estate and collateral (except railroad), public funds.
Total other States	*c* 4.13		
Total mutual savings banks of the United States.	*d* 3.86		

a Except widows, orphans, etc.
b Except charitable institutions and court orders.
c Average for each group of States.
d Average for all the States.

Efforts were made to obtain information relative to the classification of deposits, but the statistics received are confined to the savings banks of Vermont, Rhode Island, and Connecticut. In the Vermont savings banks 110,540 depositors have to their credit $1,500 or less,

and 2,829 over $1,500. Depositors in the Rhode Island savings banks to the number of 100,852 have a credit of $500 or less; 18,138 over $500, but less than $1,000; and 21,825, $1,000 or over. In the Connecticut savings banks depositors with $1,000 or less to their credit number 326,469; with over $1,000 but less than $2,000, 33,928; over $2,000, and not over $10,000, 15,142; and over $10,000, 271.

LOAN AND TRUST COMPANIES AND PRIVATE BANKS.

Reports of condition have been received from 269 loan and trust companies, with capital aggregating $104,308,722; surplus, $79,707,194; other undivided profits, $25,908,973. The individual deposits of these companies aggregate $835,499,064, and their total resources $1,071,525,994.

In a number of instances returns from private banks are included with State institutions, but returns have been received separately from 756 private banks and bankers, whose resources aggregate $87,787,253. These banks have capital amounting to $13,987,676, and individual deposits, $64,974,392.

In the appendix to the Annual Report of the Comptroller of the Currency will be found a table showing the population of each State and geographical division on June 1, 1899, as estimated by the Government Actuary, and, in connection therewith, the banking funds, that is, capital, surplus, undivided profits, and individual deposits of national, State, and private banks on or about June 30, 1899. These funds aggregate $8,512,300,108, the average per capita of all banks being $111.61. The average per capita of national banks is $45.59; State banks, $19.81; loan and trust companies, $13.71; savings banks, $31.40, and private banks, $1.10.

STATE AND PRIVATE BANK FAILURES.

During the year ended August 31, 1899, twenty-six State and private banks and bankers have failed, with assets aggregating $7,790,244 and liabilities $10,448,159, as shown by reports furnished to this office by the Bradstreet Company.

During the past summer, through the courtesy of the Bradstreet Company, the Comptroller was placed in possession of a list of all banking institutions other than national which were closed between January 1, 1893, and June 30, 1899. A copy of this list was furnished to each national-bank examiner with instructions to ascertain by correspondence with the liquidating agents the results of the liquidation of all such banks in his territory. The investigation entailed a great amount of time and labor on the part of the examiners, but it is believed that the results obtained are more satisfactory than heretofore published with respect to insolvent State and private banks.

The list referred to includes 923 State and private banks which suspended temporarily and resumed, those placed in voluntary liquidation, and those which were insolvent and placed in charge of receivers or assignees. It is impossible owing to the meagerness of the returns to state the number of each class. More or less satisfactory information is at command relative to the affairs of 283 banks which were insolvent and were liquidated by receivers or assignees. The capital of these

insolvent banks aggregated $14,754,169; other liabilities at date of suspension, $55,103,915; nominal assets at date of suspension, $62,739,332; collections from assets, $32,925,233; collections from shareholders, $1,517,178; amount and per cent of dividends paid, $30,965,165 and 56.19 per cent, respectively.

Of the 283 failures 117 occurred in 1893, the liabilities of the banks which failed in that year being $32,858,222, and dividends paid $21,970,559. There were 48 failures in 1896, liabilities and dividends paid being $8,848,908 and $3,122,298, respectively. In 1895 the failures numbered 45, with liabilities of $5,935,740; 1897, 28 failures, liabilities, $2,398,973; 1894, 18 failures, liabilities, $1,389,400; 1898, 13 failures, liabilities, $1,349,328, and during the first six months of 1899, 14 failures, with liabilities aggregating $2,323,344.

The forms used by the examiners in obtaining returns called for data with respect to the expenses incident to liquidation of the trusts, but the information received on that subject was confined to 189 banks, with liabilities aggregating $31,319,811. These banks paid dividends to the amount of $13,458,485, or 42.97 per cent, the expenses being $2,626,661, or 16.3 per cent of the total collections.

Summaries of the returns from the 283 banks referred to, by States and years, will be found in the appendix.

FOREIGN BANKING INSTITUTIONS.

In the appendix to the Annual Report of the Comptroller of the Currency will be found a report of condition, under date September 30, 1899, of the chartered banks of the Dominion of Canada. The capital of these banks aggregates $64,183,377; notes in circulation, $16,682,028, and total liabilities, $427,870,875. The average rate of dividends paid to the shareholders of these banks was 7 per cent.

Statements are also given in the appendix to the Annual Report of the Comptroller of the Currency of the condition of the banks of Australasia on June 30, 1899. The capital of the banks amounts to £21,940,959; bank notes in circulation, £4,350,332, and total liabilities, £163,163,664.

The London Economist publishes semiannually a statement of the condition of the incorporated and private banks of the United Kingdom, including colonial and foreign banks with London offices. These statements for the close of the half years ended December, 1898, and June, 1899, are given in the appendix. The capital stock of the Bank of England and other incorporated and private banks in the United Kingdom in December, 1898, aggregated £83,907,926, and in June, 1899, £84,195,340. The bank notes outstanding, including notes of the Bank of England, increased from £42,465,004 in December to £43,987,254 in June. The resources, which amounted to £986,211,641 in December, increased in June to £1,019,431,686. The aggregate resources of the joint stock and private banks of the United Kingdom and the colonial and foreign banks with London offices increased from £1,387,920,755 to £1,463,283,386 during the same period. During the year ended December, 1898, the Bank of England paid a stock dividend of 10 per cent. The average rate of dividends by the joint stock and private banks of the United Kingdom for the same period was 12.29 per cent.

The cash resources, loans and discounts, government and other securities, circulating notes outstanding and deposits of the principal foreign banks of issue on the dates indicated, appear in recent issues

of the London Statist and the Economist and are set forth in the following table, the figures representing millions of pounds sterling:

Banks.	Date.	Gold.	Silver.	Cash not classified.	Loans and discounts.	Securities.	Circulation.	Deposits.
	1899.	£	£	£	£	£	£	£
Bank of England	Oct. 18	.....	.....	32.9	.....	48.1	28.2	51.7
Bank of France	Oct. 19	75.8	47	.....	35.5	.....	155.2	28.8
Bank of Germany	Oct. 14	.....	.....	35.2	54.6	.....	61.7	24.9
Bank of Russia	Sept. 23	.....	.....	30.9	30.3	14.4	56.1	69.4
Bank of Austria-Hungary	Oct. 14	30.7	10.4	.....	21.6	.....	60.5	.....
Bank of Spain	....do	13.5	13.6	.....	57.4	14.9	60.7	30.8
Bank of Belgium	Oct. 12	.....	.....	4.3	16.7	.....	21.4	2.1
Bank of Holland	Oct. 14	2.7	5.8	.....	11.3	.....	18.1	.4
Banks of Switzerland	Oct. 7	3.9	.4	.....	.....	.....	8.8	.....
Bank of Italy	Sept. 30	.....	.....	17	10.4	9	35.3	7.8
Total	.....	126.6	77.2	130.3	237.8	86.4	506	215.9

In conclusion, it is with pleasure that the Comptroller calls attention to the faithful and efficient services of his associates in the Bureau, and he desires to express his sincere appreciation of their fidelity to the public service.

CHARLES G. DAWES,
Comptroller of the Currency.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

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REPORT OF THE REGISTER OF THE TREASURY.

TREASURY DEPARTMENT,
OFFICE OF THE REGISTER,
Washington, D. C., October 7, 1899.

SIR: I have the honor to submit the annual report of the business of this office for the fiscal year ended June 30, 1899.

The business of the office is divided between two divisions, viz: Division of Loans, and Division of Notes, Coupons, and Currency, each having charge of the work indicated by its respective designation.

DIVISION OF LOANS.

The fiscal year ended June 30 last will always be memorable in the history of the Division of Loans on account of the issue of the 3 per cent loan of 1898. Owing to the popular terms on which the loan was offered to the public, the work assumed proportions wholly without precedent, and as a very brief time could be allowed for the completion of the work, the pressure on the force was very severe and exacting. As stated in my last report (except forming plans and ordering books and blanks in advance), the work on this loan only began in the division three days before the end of the preceding fiscal year. So the history of the loan is practically within the current year.

The force in the Division of Loans has for several years been quite small, consisting at the beginning of the year of one chief, fourteen clerks, and two messengers. This force was divided into two sections. The first, consisting of seven clerks and two messengers, was left in charge of the current work of the division, which is ordinarily considered

enough to occupy the whole time of all the division. The reduced force was only able to keep up the work by greatly increased hours, both during the day and at night, and by deferring all work to a subsequent date when it could be done without serious inconvenience to the public.

The remainder of the division, reenforced by four clerks from the Division of Notes, Coupons, and Currency, was transferred to the new building of the Washington city post-office (then unfinished). Here a large force of temporary clerks was organized, numbering at one time over 250, who were instructed in their new duties. The time for preparation in either respect was very limited. Not more than two or three of the temporary force had ever been engaged upon work in connection with bonds.

The history of the world has no parallel to the record of the 3 per cent loan of 1898, either in the amount subscribed or in the number of separate subscriptions. Owing to the announcement that subscriptions for $500 and under would first be filled, the number of separate items to be issued and forwarded was nearly tenfold that upon any previous loan of the Government. In carrying through this important undertaking it was necessary to examine the subscription papers and other documents in connection with over 275,000 different subscriptions and payments, to write over 222,000 letters and receipts, to address and deliver to the express company an equal number of envelopes. To insure safety and promptness in forwarding, the express company was furnished with lists showing the number, address, and amount of each package. Over half a million (551,566) coupon and registered bonds were prepared, put up, and forwarded. Thirty thousand seven hundred large folio pages of journal, involving a large mass of detail, were written; ledger accounts to the number of 47,341 were opened, of which 13,000 have since been closed; the interest upon 230,011 separate deposits made prior to August 1, 1898, was calculated, proved, footed, and a detailed schedule for drawing checks therefor furnished the Treasurer of the United States. To add to the difficulty of the situation, at a time while the work was very urgent, it was necessary to prepare a schedule containing the details necessary for drawing 45,120 checks for the first dividend, due November 1, 1898.

During the year there were received 670,000 new coupon and registered 3 per cent bonds, representing a value of $699,760,000, besides 51,275 bonds of other loans, representing $180,575,000.

Plans adapted to the issue of bonds where large amounts are taken by a single subscriber were found to be inadequate to the situation, and it was necessary to form new plans in some cases and remodel them in others. Owing to the character of the work required in the manufacture of Government bonds, and the limited time available after the passage of the authorizing act, it became evident that new bonds would not reach this office from the printer till the latter part of July. In view of this it was decided to attempt the preparation of the necessary journals, ledgers, letters, receipts, and envelopes in all their details (dates excepted) before the bonds came to hand. It would then only be necessary to compare the bonds when received with the records, to supply the dates, and the bonds could be immediately transmitted to the subscribers. The degree of care and accuracy required to calculate without error the proper numbers and denominations for several hundred thousand items, without the opportunity to verify them by comparison with the bonds at the time, seemed to render the undertaking one whose possibility was doubtful, and the confusion which would arise if errors occurred rendered the desirability of undertaking this plan of work questionable; but I am pleased to say that the plans

formed were carried through very successfully, and undoubtedly advanced the delivery of the bonds some weeks.

Much of the work was of the most exacting, responsible, and even dangerous character, involving the daily handling of several millions of dollars in bonds payable to bearer, which were shipped to several thousand different parties each day. Heretofore when issues were made the bonds were largely sold to syndicates or large dealers, and were shipped in large amounts. The magnitude of the work in hand will be understood when the statement is made that except in the matter of inscribing the bonds if registered, or in counting if coupon, it requires just as much labor to prepare the record of a single $20 bond when issued to an individual as it does that for several millions when issued to a syndicate or to a single individual. The enormous undertaking in hand may be best understood if the fact is known that for weeks more packages were prepared and shipped daily than were comprised in the entire shipments in the 5 per cent loan of 1904 and the 4 per cent loan of 1925 combined. The largest number of packages delivered to the express company in one day was on September 17, when 6,298 packages, inclosing bonds on account of 6,546 different subscriptions, and amounting to $5,271,560, were delivered to the express company in less than twelve hours. All packages inclosing coupon bonds were sealed with five large wax seals; those inclosing registered bonds with a less number. As it was necessary to put on over 30,000 seals per day, a portion of the force was assigned to this work. As the Post-Office building had no facilities for safely caring for the large values involved, it was necessary to receive the bonds at the Treasury Department and then transfer them as needed to the Post-Office building.

Owing to the necessity of vacating the Post-Office building, the temporary force was first largely cut down, and on the 30th of September what remained was transferred to the Treasury Department and crowded into such rooms as could be made available. A month later the temporary force was dropped and a smaller number of details from other offices of the Department substituted. It was necessary to instruct and drill this new force from the beginning in the routine of business, and they remained for a little over two months. Since the return of these clerks to their respective offices, there has been an addition to the office of four clerks, paid from the fund provided by Congress for this purpose. For a large part of the fiscal year the regular force was constantly under the necessity of extra work, the daily hours of labor being largely in excess of those usually required. I desire to bear testimony to the patience, energy, and care of the employees of the office throughout the whole of this period. When the gigantic nature of the undertaking is considered, the fact that it was in no way possible to foresee the extraordinary proportions which it was to assume within a few days, and the serious difficulties under which it has been carried on, the number of errors which have occurred is surprisingly small. I am not aware of any error which has not been speedily and easily rectified, or which has involved loss to any subscriber. This is a record of which the office is very proud, especially when it is taken into consideration that the work being conducted by it was practically in the shape of a double issue. This statement may be considered paradoxical, but it is correct nevertheless. As is always the case in original issues, the great bulk of the bonds was issued in coupon form. Coupon bonds that were shipped to-day came back to-morrow to be exchanged for registered certificates, and a new record had to be made

and new bonds issued, thus practically giving the division double work. But the emergency was met, and the current work was kept promptly up to date.

The following is the number and amount of new bonds received from the Bureau of Engraving and Printing during the fiscal year:

New bonds received from the Bureau of Engraving and Printing.

Loan.	Number of impressions.	Amount.
Loan of 1898, 3 per cent, coupon	465,000	$186,660,000
Loan of 1898, 3 per cent, registered	205,000	513,100,000
Loan of 1898, 3 per cent, provisional certificates	998	Nominal.
Loan of 1904, 5 per cent, registered	7,000	40,300,000
Loan of 1907, consols, 4 per cent, registered	43,925	138,925,000
District of Columbia, Fifty-year funded loan of 1924, 3.65 per cent, registered	350	1,350,000
Total	722,273	880,335,000

The first issue of coupon bonds on the 3 per cent loan of 1898 was made on July 27, and even within the next few days considerable amounts of these bonds, which had been bought up by national banks, were presented for cancellation and reissue in registered bonds to be deposited with the Treasurer of the United States as security for circulation or deposits. No registered bonds had as yet been completed, and to meet this emergency certificates in the form of bonds were printed, issued, and then deposited temporarily with the Treasurer. They were known as "Provisional certificates." Other provisional certificates were issued directly upon certificates of deposit made on account of subscriptions to the loan. These provisional certificates were subsequently replaced by bonds in regular form, the exchange having been completed (except as to $24,000) during the fiscal year, and this remaining amount was exchanged on August 1.

In the course of the issue it was found that subscriptions and deposits had been made by certain parties in violation of the terms on which the loan was offered to subscribers. The bonds, where preparations had been begun for issuing and forwarding, were canceled and the money refunded. All bonds which do not represent issues of a permanent character are reported in the accompanying tables under the head of "Temporary issues."

The following table shows the number and amount of bonds of the various loans of the United States and the District of Columbia issued and canceled during the last fiscal year:

Statement showing the number and amount of bonds issued during the year ended June 30, 1899.

Loan.	Class.	Direct issue.	Exchanges.	Transfers.	Number of bonds.	Total amount.
Funded loan of 1891, 4½ per cent, continued at 2 per cent.	Registered.	.....	.....	$5,421,250	1,087	$5,421,250
Loan of 1904, 5 per cent	do	.....	$1,879,100	13,541,150	5,088	15,420,250
Loan of 1907, consols, 4 per cent	Coupon	$2,400	.....	2,000	51	4,400
	Registered.	3,850	460,300	55,441,350	14,166	55,905,500
Loan of 1925, 4 per cent	do	.....	2,974,750	32,018,500	6,369	34,993,250
Loan of 1898, 3 per cent	Coupon	169,188,000	33,800	134,300	439,171	169,356,100
	Registered.	29,489,300	68,981,040	22,390,760	110,804	120,861,100
Loan of 1898, 3 per cent, temporary issues.	Coupon	516,300	.....	.....	1,051	516,300
	Registered.	888,700	15,061,100	.....	540	15,949,800
Pacific Railroads, 6 per cent	do	.....	.....	3,064,000	431	3,064,000
District of Columbia, 20-year funded loan of 1899, 5 per cent.	do	.....	.....	4,000	4	4,000
District of Columbia, 50-year funded loan of 1924, 3.65 per cent.	do	.....	201,000	1,415,000	420	1,616,000
Total		200,088,550	89,591,090	133,432,310	579,182	423,111,950

Statement showing the number and amount of bonds canceled during the year ended June 30, 1899.

Loan.	Class.	Redemptions.	Exchanges.	Transfers.	Number of bonds.	Total amount.
Loan of July and August, 1861, 6 per cent.	Coupon	$2,300			5	$2,300
Loan of 1863, 6 per cent	do	500			1	500
Consols of 1865, 6 per cent	do	800			4	800
Consols of 1867, 6 per cent	do	6,050			7	6,050
	Registered.	4,500			5	4,500
Consols of 1868, 6 per cent	Coupon	5,200			7	5,200
Funded loan of 1881, 5 per cent	do	1,000			1	1,000
	Registered.	100			1	100
Funded loan of 1881, 5 per cent, continued at 3½ per cent.	do	500			1	500
Loan of July 12, 1882, 3 per cent	do	5,100			6	5,100
Funded loan of 1891, 4½ per cent	Coupon	11,100			14	11,100
	Registered	8,450			4	8,450
Funded loan of 1891, 4½ per cent, continued at 2 per cent.	do			$5,421,250	965	5,421,250
Loan of 1904, 5 per cent	Coupon		$1,879,100		1,890	1,879,100
	Registered			[illegible]	[illegible]	[illegible]
Loan of 1907, consols, 4 per cent	Coupon		460,300	2,000	1,630	462,300
	Registered			[illegible]	[illegible]	[illegible]
Loan of 1925, 4 per cent	Coupon		2,974,750		3,521	2,974,750
	Registered			[illegible]	[illegible]	[illegible]
Loan of 1898, 3 per cent	Coupon		69,005,040	134,300	176,996	69,139,340
	Registered			22,392,760	24,756	22,424,560
Loan of 1898, 3 per cent, temporary issues.	Coupon	516,300			1,051	516,300
	Registered.	2,980		15,922,820	539	15,925,800
Pacific Railroads, 6 per cent	do	14,015,560		3,064,000	2,679	17,079,560
Cherokee certificates, 4 per cent	do	1,660,000			166	1,660,000
District of Columbia, 20-year funded loan of 1899, 5 per cent.	do			4,000	4	4,000
District of Columbia, 50-year funded loan of 1924, 3.65 per cent.	Coupon		201,000		487	201,000
	Registered.			1,415,000	407	1,415,000
District of Columbia, 10-year funded loan of 1901, 3½ per cent.	do	150,000			151	150,000
Total		16,390,440	74,553,990	149,355,130	240,263	240,299,560

Table showing in summary form the number and amount of bonds issued and canceled, and the total number handled during the last ten years.

Year.	Bonds issued.		Bonds canceled.		Total handled.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.
1889–90	17,669	$67,181,500	66,830	$171,575,200	84,499	$238,756,700
1890–91	16,592	69,151,600	75,606	172,256,450	92,198	241,408,050
1891–92	26,253	107,738,200	54,288	129,089,825	80,541	236,748,025
1892–93	15,796	59,396,050	24,943	60,271,850	40,739	119,667,900
1893–94	64,799	163,551,900	36,195	114,277,200	100,994	277,829,100
1894–95	80,362	195,445,950	43,072	110,513,200	123,434	305,959,150
1895–96	143,476	258,595,350	64,579	136,941,450	208,055	395,536,800
1896–97	33,704	129,612,500	49,731	143,185,450	83,435	272,797,950
1897–98	35,816	153,749,100	49,669	185,955,102	85,485	339,704,202
1898–99	579,182	423,111,950	240,263	240,299,560	819,445	663,411,510

SPANISH INDEMNITY CERTIFICATES.

In my last report a brief sketch was given of the origin and history of the Spanish indemnity certificates. For many years the sum of $28,560 has been received annually from the Government of Spain through the Department of State and divided pro rata among the holders of this stock. The United States assumes no responsibility beyond seeing that the money when received is transmitted to the proper parties. The last dividend upon this stock was declared September 21, 1897.

The transfers from one owner to another during the last ten years are shown in the following table:

Transfers of bonds.

Year.	Issued on transfers.		Canceled on transfers.	
	Number of bonds.	Amount.	Number of bonds.	Amount.
1889–90	4	$36,813.86	4	$36,813.86
1890–91	3	10,189.70	3	10,189.70
1891–92	7	61,565.77	6	61,565.77
1892–93	128	595,972.51	136	595,972.51
1893–94	9	44,523.95	8	44,523.95
1894–95	4	12,306.53	3	12,306.53
1895–96	4	39,556.94	4	39,556.94
1896–97	8	28,475.78	8	28,475.78
1897–98	51	54,446.68	11	54,446.68
1898–99	2	12,067.06	2	12,067.06

CHEROKEE CERTIFICATES.

The fourth and final installment of certificates issued under the act of August 15, 1894, and showing the indebtedness of the Government on account of the Cherokee lands, amounting to $1,660,000, was redeemed in full during the year. This completes the redemption of the loan.

PACIFIC RAILROADS.

The following bonds, issued in aid of the construction of various branches of the Pacific Railroads, matured and were called for payment during the year. The whole amount of issues in aid of the Pacific Railroads has now been called for redemption.

Bonds issued in aid of various branches of the Pacific Railroads.

Date due.	Road.	Amount.
January 1, 1899	Central Pacific Railroad	$9,197,000
Do	Union Pacific Railroad	3,157,000
Do	Western Pacific Railroad	1,650,560
Total		14,004,560
Add amount called for payment during the year—		
1894–95		2,362,000
1895–96		8,640,000
1896–97		9,712,000
1897–98		29,904,952
Total Pacific Railroad bonds called for redemption		64,623,512

During the fiscal year dividends of interest for the drawing of interest checks were prepared in the division and delivered to the Treasurer of the United States as follows:

Dividends of interest.

Date payable.	Loan.	Number of checks.	Amount.
1898.			
Aug. 1	Loan of 1898, 3 per cent, coupon	193,733	$179,332.76
Do	Loan of 1898, 3 per cent, registered	36,278	25,077.01
Do	Loan of 1904, 5 per cent	2,067	824,240.00
Do	Loan of 1925, 4 per cent	3,809	1,115,929.00
Do	District of Columbia, Fifty-year funded loan of 1924, 3.65 per cent	283	239,202.75
Sept. 1	Loan of 1891, 4½ per cent, continued at 2 per cent	1,050	126,822.50
Oct. 1	Loan of 1907, consols, 4 per cent	27,517	4,910,294.00
Nov. 1	Loan of 1898, 3 per cent	42,366	433,369.50
Do	Loan of 1904, 5 per cent	2,067	830,143.12½
Do	Loan of 1925, 4 per cent	3,803	1,126,826.50
Dec. 1	Loan of 1891, 4½ per cent, continued at 2 per cent	1,017	126,822.50
1899.			
Jan. 1	Loan of 1907, consols, 4 per cent	27,336	4,911,386.00
Do	District of Columbia, Twenty-year funded loan of 1899, 5 per cent	41	8,275.00
Feb. 1	Loan of 1898, 3 per cent	36,408	646,513.95
Do	Loan of 1904, 5 per cent	2,106	831,855.62½
Do	Loan of 1925, 4 per cent	3,822	1,130,797.00
Do	District of Columbia, Fifty-year funded loan of 1924, 3.65 per cent	277	242,086.25
Mar. 1	Loan of 1891, 4½ per cent, continued at 2 per cent	1,009	126,822.50
Apr. 1	Loan of 1907, consols, 4 per cent	27,273	4,912,465.00
May 1	Loan of 1898, 3 per cent	35,317	702,585.30
Do	Loan of 1904, 5 per cent	2,185	844,211.87½
Do	Loan of 1925, 4 per cent	3,911	1,137,796.00
June 1	Loan of 1891, 4½ per cent, continued at 2 per cent	1,008	126,822.50
July 1	Loan of 1907, consols, 4 per cent	27,273	4,913,119.00
Do	District of Columbia, Twenty-year funded loan of 1899, 5 per cent.	41	8,275.00
	Total	481,997	30,481,070.64½

The foregoing interest checks, numbering nearly half a million and amounting to a value of $30,481,070.64½, represent one of the principal sources of expenditure by the Government.

In this connection, I acknowledge with pleasure the valuable assistance rendered this office by the Hon. Frank A. Vanderlip, Assistant Secretary. His labors were incessant and always of the most helpful character, and to his energetic aid this office is largely indebted for the complete success of the gigantic undertaking.

It has been demonstrated that the force of the division as it now stands, reenforced as it is by four temporary clerks now on duty, is not too large. The great amount of extra work made necessary by the addition to the national loans of the 3 per cent loan of 1898—and which will be of a permanent nature for the next nineteen years, thus becoming current in character—has been promptly met. The division is not an hour behindhand in any of the branches of work carried on therein. This condition of affairs is to be attributed to the hearty manner in which the employees have met every demand made upon them. They have labored zealously and faithfully, not considering time when the exigencies of the case demanded extra work, and these exigencies occurred frequently.

DIVISION OF NOTES, COUPONS, AND CURRENCY.

To this division is intrusted the registration and filing of the redeemed, exchanged, and transferred coupon bonds, detached redeemed coupons, paid interest checks, and other miscellaneous redeemed Government securities; also, the final count and examination of the United States currency received from the Treasurer of the United States.

During the year there were received 161,509 coupon bonds of the late issues: entered in blotters 101,009, and registered and scheduled 73,426. The following table gives by loan and amount the total number of redeemed, exchanged, and transferred coupon bonds on file in this division to June 30, 1899.

Redeemed, exchanged, and transferred bonds.

Loan.	Number.	Amount.
Loan of 1848, 6 per cent	126	$136,000
Loan of 1858, 5 per cent	147	147,000
Loan of February, 1861, 6 per cent	4,678	4,678,000
Loan of July and August, 1861, 6 per cent	93,253	64,151,300
Five-twenties of 1862, 6 per cent, four series	5,065	1,616,450
Loan of 1863, 6 per cent	29,809	21,548,450
Ten-forties of 1864, 5 per cent	77,343	52,851,950
Five-twenties of June, 1864, 6 per cent	1,116	499,650
Five-twenties of 1865, 6 per cent, four series	803,830	385,641,200
Funded loan of 1881, 5 per cent	385,278	305,160,400
Funded loan of 1891, 4½ per cent	106,286	84,352,850
Loan of 1907, consols, 4 per cent	381,116	166,951,100
Loan of 1904, 5 per cent	33,242	30,903,100
Loan of 1925, 4 per cent	60,367	56,083,500
Loan of 1898, 3 per cent	64,387	30,288,620
Loans of the District of Columbia	30,281	11,458,800
Loan of Louisville and Portland Canal Company	1,597	1,597,000
Total	2,077,921	1,218,065,370

The total number of redeemed detached coupons received and verified during the year was 1,679,788; arranged numerically, 1,221,985; registered, 983,911; examined, 142,942; scheduled, 294,379, and entered in ledgers, 309,598.

Place of payment and amount of coupons received during the year.

NEW YORK, N. Y.

Classification.	Number.	Amount.
United States loans.		
Five-twenties of 1862	1	$1.50
Consols of 1865, act of March 3, 1865	1	1.50
Consols of 1867, act of March 3, 1865	2	3.00
Consols of 1868, act of March 3, 1865	3	4.50
Funded loan of 1891, 4½ per cent	38	123.75
Loan of 1907, consols, 4 per cent	277,316	1,600,594.50
Loan of 1904, 5 per cent	100,827	1,186,769.27
Loan of 1925, 4 per cent	132,928	1,215,225.00
Loan of 1898, 3 per cent	385,993	1,282,906.20
District of Columbia loans.		
Fifty-year funded loan of 1924, 3.65 per cent	3,941	29,309.50
Twenty-year funded loan of 1899, 5 per cent	1,023	24,157.50
Thirty-year funded loan of 1902, 6 per cent	776	18,591.00
Water-stock loan, 7 per cent	798	27,930.00
Total	903,647	5,385,617.22

Place of payment and amount of coupons received during the year—Continued.

BOSTON, MASS.

Classification.	Number.	Amount.
United States loans.		
Loan of 1907, consols, 4 per cent	83,210	$322,461.50
Loan of 1904, 5 per cent	15,690	158,890.83
Loan of 1925, 4 per cent	41,780	358,227.50
Loan of 1898, 3 per cent	45,461	135,583.50
Total	186,141	975,163.33

WASHINGTON, D. C.

United States loans.		
Five-twenties of 1862	17	$316.50
Seven-thirties of 1864 and 1865	2	5.47
Consols of 1865, act of March 3, 1865	3	6.00
Consols of 1867, act of March 3, 1865	11	33.00
Funded loan of 1881, 3 per cent	1	.62
Funded loan of 1891, 4 per cent	162	1,780.32
Loan of 1907, consols, 4 per cent	10,349	38,518.50
Loan of 1904, 5 per cent	6,025	74,025.60
Loan of 1925, 4 per cent	6,059	64,291.00
Loan of 1898, 3 per cent	114,783	450,817.05
District of Columbia loans.		
Fifty-year funded loan of 1924, 3.65 per cent	2,190	8,297.36
Twenty-year funded loan of 1899, 5 per cent	330	5,017.50
Thirty-year funded loan of 1902, 6 per cent	1,158	20,580.00
Water-stock loan, 7 per cent	224	7,840.00
Permanent-improvement loan, 6 per cent	60	450.00
Total	141,974	672,587.92

CINCINNATI, OHIO.

United States loans.		
Loan of 1907, consols, 4 per cent	67,175	$273,149.00
Loan of 1904, 5 per cent	7,564	69,287.51
Loan of 1925, 4 per cent	12,231	94,212.50
Loan of 1898, 3 per cent	36,166	71,373.60
Total	123,136	508,022.61

CHICAGO, ILL.

United States loans.		
Consols of 1865, act of March 3, 1865	1	$1.50
Loan of 1907, consols, 4 per cent	35,147	133,312.50
Loan of 1904, 5 per cent	4,124	46,309.99
Loan of 1925, 4 per cent	8,800	76,096.00
Loan of 1898, 3 per cent	73,488	176,325.45
Total	121,560	432,045.44

PHILADELPHIA, PA.

United States loans.		
Loan of 1907, consols, 4 per cent	35,535	$131,167.00
Loan of 1904, 5 per cent	7,820	81,526.38
Loan of 1925, 4 per cent	8,740	80,849.00
Loan of 1898, 3 per cent	44,200	124,992.00
Total	96,295	421,534.38

Place of payment and amount of coupons received during the year—Continued.

ST. LOUIS, MO.

Classification.	Number.	Amount.
United States loans.		
Loan of 1907, consols, 4 per cent	26,837	$114,028.50
Loan of 1904, 5 per cent	2,697	20,686.87
Loan of 1925, 4 per cent	1,386	12,795.50
Loan of 1898, 3 per cent	21,938	38,627.40
Total	52,858	186,138.27

BALTIMORE, MD.

United States loans.		
Loan of 1907, consols, 4 per cent	9,635	$54,082.00
Loan of 1904, 5 per cent	1,890	18,551.22
Loan of 1925, 4 per cent	5,599	54,326.00
Loan of 1898, 3 per cent	11,836	31,475.70
Total	28,960	158,434.92

SAN FRANCISCO, CAL.

United States loans.		
Loan of 1907, consols, 4 per cent	9,153	$62,036.50
Loan of 1904, 5 per cent	208	3,305.00
Loan of 1925, 4 per cent	2,030	17,861.00
Loan of 1898, 3 per cent	8,375	16,043.40
Total	19,826	99,245.90

NEW ORLEANS, LA.

United States loans.		
Loan of 1907, consols, 4 per cent	3,464	$13,812.50
Loan of 1904, 5 per cent	14	163.75
Loan of 1925, 4 per cent	48	440.00
Loan of 1898, 3 per cent	1,865	3,413.55
Total	5,391	17,829.80

Redeemed coupons on file and number and amount received during the year.

Loan.	Coupons received during the year.	Amount.	Coupons received to June 30, 1899.	Amount.
United States loans.				
Loan of 1842, 6 per cent			42,268	$1,994,580.00
Loan of 1843, 5 per cent			26,657	860,925.00
Loan of 1848, 6 per cent			222,212	7,604,010.00
Texan indemnity stock, 5 per cent			107,805	2,695,125.00
Loan of 1858, 5 per cent			459,372	11,484,300.00
Loan of 1860, 5 per cent			26,318	657,950.00
Loan of February, 1861, 6 per cent			216,378	6,491,340.00
Oregon war debt, 6 per cent			123,553	1,758,128.00
Loan of July and August, 1861, 6 per cent			3,500,600	73,246,831.50
Seven-thirties of 1861, 7.3 per cent			2,356,771	23,652,537.42½
Five-twenties of 1862, 6 per cent	18	$318.00	15,300,414	238,352,644.50
Loan of 1863, 6 per cent			1,076,892	23,128,509.50
Two-year Treasury notes, 5 per cent			879,141	7,169,200.00
Ten-forties of 1864, 5 per cent			2,648,034	46,502,867.00
Five-twenties of June, 1864, 6 per cent			1,598,059	32,669,174.50
Seven-thirties of 1864 and 1865, 7.3 per cent	2	5.47	12,835,356	123,329,962.88½

Redeemed coupons on file and number and amount received during the year—Continued.

Loan.	Coupons received during the year.	Amount.	Coupons received to June 30, 1898.	Amount.
United States loans—Continued.				
Five-twenties of 1865, 6 per cent, first series			3,516,864	$82,293,850.50
Consols of 1865, 6 per cent, second series	5	$9.00	8,181,921	121,054,338.50
Consols of 1867, 6 per cent, third series	13	36.00	11,669,886	161,043,788.50
Consols of 1868, 6 per cent, fourth series	[illegible]	[illegible]	[illegible]	16,336,595.50
Certificates of indebtedness of 1870, 4 per cent			6,102	122,040.00
Funded loan of 1881, 5 per cent	1	62	10,231,798	96,729,847.51
Funded loan of 1891, 4½ per cent	200	1,904.07	4,146,072	36,453,268.21
Loan of 1907, consols, 4 per cent	557,821	2,743,162.50	20,566,185	96,566,121.50
Loan of 1904, 5 per cent	146,919	1,662,516.42	864,305	9,885,720.32
Loan of 1925, 4 per cent	220,201	1,974,323.50	979,855	8,823,599.00
Loan of 1898, 3 per cent	744,105	2,331,557.85	744,105	2,331,557.85
District of Columbia loans.				
Fifty-year funded loan of 1924, 3.65 per cent	6,131	37,606.86	544,005	3,651,080.24
Twenty-year funded loan of 1892, 6 per cent			94,092	880,596.00
Thirty-year funded loan of 1902, 6 per cent	1,934	39,180.00	37,976	746,952.00
Twenty-year funded loan of 1899, 5 per cent	1,353	29,775.00	25,953	582,877.50
Ten-year loan (Bowen), 6 per cent			3,099	16,821.00
Water-stock loan, 7 per cent	1,022	35,770.00	15,671	548,485.00
Permanent-improvement loan, 6 per cent	60	450.00	232,316	2,793,690.00
Permanent-improvement loan, 7 per cent			29,727	547,627.50
Market-stock loan, 7 per cent			3,133	47,738.25
Steam force-pump loan, 7.3 per cent			10	182.50
Miscellaneous.				
Louisville and Portland Canal Company			16,349	490,470.00
Total	1,679,788	8,856,619.79	104,581,845	1,243,605,672.69

In the currency branch of this division there were received of old demand notes 25, amounting to $150; United States notes, 6,771,699, amounting to $88,404,000; Treasury notes of 1890, 15,949,919, amounting to $38,401,000; silver certificates, 40,794,303, amounting to $143,831,000; gold certificates, 13,446, amounting to $862,030; refunding certificates, 375, amounting to $3,750; fractional currency, 15,210, amounting to $3,343.48, and one and three year compound interest notes, 28, amounting to $740; aggregating in number of notes 63,545,005, and in amount $271,506,013.48, and showing an increase over the last fiscal year of 5,433,063 notes, and in amount $22,456,743.48.

All of these notes during the year had been counted, examined, entered in journals and ledgers, and delivered to the destruction committee.

Different classes of notes destroyed during the year, by denomination and amount, and the total redemption and destruction of the same, by denomination and amount, to June 30, 1899.

Issue and denomination.	Amount redeemed during the year.	Total amount redeemed to date.
Old demand notes:		
Five dollar	$100.00	$21,778,337.50
Ten dollar	50.00	20,010,015.00
Twenty dollar		18,187,800.00
Total	150.00	59,976,152.50
United States notes:		
One dollar	271,782.00	186,083,506.80
Two dollar	333,208.00	184,595,410.20
Five dollar	19,000,910.00	492,323,978.00
Ten dollar	17,589,450.00	471,164,859.00
Twenty dollar	12,855,550.00	420,571,438.00
Fifty dollar	2,722,300.00	129,415,900.00
One hundred dollar	4,004,300.00	156,984,700.00
Five hundred dollar	5,165,500.00	199,980,000.00
One thousand dollar	26,461,000.00	348,414,000.00
Five thousand dollar		19,985,000.00
Ten thousand dollar		39,990,000.00
Unknown denominations		1,000,000.00
Total	88,404,000.00	2,650,508,792.00
Treasury notes of 1890:		
One dollar	9,804,646.00	52,163,798.00
Two dollar	6,276,024.00	39,525,912.00
Five dollar	10,612,440.00	82,855,890.00
Ten dollar	7,635,110.00	70,092,320.00
Twenty dollar	2,225,680.00	25,154,650.00
Fifty dollar	110,500.00	1,023,850.00
One hundred dollar	634,600.00	16,433,200.00
One thousand dollar	1,102,000.00	50,659,000.00
Total	38,401,000.00	337,908,720.00
Silver certificates:		
One dollar	21,568,208.00	167,702,268.90
Two dollar	11,495,395.00	97,823,580.60
Five dollar	42,982,197.00	348,384,847.50
Ten dollar	37,100,595.00	374,081,129.00
Twenty dollar	20,049,880.00	203,613,050.00
Fifty dollar	6,378,125.00	40,883,890.00
One hundred dollar	4,080,100.00	69,724,250.00
Five hundred dollar	62,500.00	16,436,500.00
One thousand dollar	114,000.00	27,035,000.00
Total	143,831,000.00	1,345,684,496.00
Gold certificates—series of 1882:		
Twenty dollar	183,730.00	22,879,236.00
Fifty dollar	118,000.00	18,861,645.00
One hundred dollar	148,800.00	21,368,900.00
Five hundred dollar	116,500.00	25,972,000.00
One thousand dollar	160,000.00	54,961,500.00
Five thousand dollar	45,000.00	60,405,000.00
Ten thousand dollar	90,000.00	158,370,000.00
Total	862,030.00	362,818,281.00
Fractional currency:		
Three cent	6.03	511,698.60
Five cent	31.45	3,836,000.18
Ten cent	648.60	77,138,767.33
Fifteen cent	35.40	5,065,338.99
Twenty-five cent	1,207.00	134,755,190.66
Fifty cent	1,415.00	132,127,736.70
Unknown denominations		32,000.00
Total	3,343.48	353,466,732.46
Refunding certificates, payable to bearer:		
Ten dollar	3,750.00	39,916,460.00
One-year Treasury notes of 1863:		
Ten dollar	10.00	6,195,115.00
Twenty dollar	20.00	16,425,740.00
Fifty dollar		8,233,550.00
One hundred dollar		13,633,800.00
Unknown denominations		90.00
Total	30.00	44,488,295.00

Different classes of notes destroyed during the year, etc.—Continued.

Issue and denomination.	Amount redeemed during the year.	Total amount redeemed to date.
Two-year Treasury notes of 1863, issued without coupons:		
Fifty dollar		$6,794,450.00
One hundred dollar		9,678,200.00
Total		16,472,650.00
Two-year Treasury notes of 1863, issued with coupons:		
Fifty dollar		5,993,600.00
One hundred dollar		14,476,400.00
Five hundred dollar		40,300,500.00
One thousand dollar		89,289,000.00
Unknown denominations		10,500.00
Total		149,980,000.00
Compound-interest notes, act of March 3, 1863:		
Ten dollar		873,770.00
Fifty dollar	$50.00	2,745,100.00
One hundred dollar		3,938,500.00
Five hundred dollar		10,425,500.00
Total	50.00	17,982,870.00
Compound-interest notes, act of June 30, 1864:		
Ten dollar	90.00	22,390,490.00
Twenty dollar	220.00	30,692,660.00
Fifty dollar	150.00	58,015,300.00
One hundred dollar	200.00	41,123,000.00
Five hundred dollar		57,408,000.00
One thousand dollar		39,415,000.00
Total	660.00	248,444,450.00

NOTE.—In some of the denominations of the above issues the notes were redeemed at less than their face value on account of discounts for mutilations.

The number of paid interest checks verified during the year was 234,351; registered in numerical registers, 228,769, and examined 10,714. The total number of checks received was 271,172, amounting to $28,063,675.03.

Loan, number, and amount of interest checks paid at the several subtreasuries.

NEW YORK, N. Y.

Loan.	Number.	Amount.
Funded loan of 1891, 4½ per cent, continued at 2 per cent	2,961	$352,768.50
Loan of 1907, consols, 4 per cent	60,954	14,787,120.50
Loan of 1904, 5 per cent	3,102	1,743,301.50
Loan of 1925, 4 per cent	8,866	3,324,341.50
Loan of 1898, 3 per cent, deposits for bonds	53,232	54,307.63
Pacific Railroads, 6 per cent	372	338,056.80
Total	129,487	20,599,896.43

BOSTON, MASS.

Funded loan of 1891, 4½ per cent	1	$1.12
Funded loan of 1891, 4½ per cent, continued at 2 per cent	172	41,823.25
Loan of 1907, consols, 4 per cent	20,552	1,664,856.00
Loan of 1904, 5 per cent	952	218,313.55
Loan of 1925, 4 per cent	3,169	478,894.50
Loan of 1898, 3 per cent	3,078	22,134.15
Loan of 1898, 3 per cent, deposits for bonds	26,840	25,980.64
Pacific Railroads, 6 per cent	104	54,270.00
Total	54,868	2,506,273.21

Loan, number, and amount of interest checks paid at the several subtreasuries—Cont'd.

PHILADELPHIA, PA.

Loan.	Number.	Amount.
Funded loan of 1891, 4½ per cent, continued at 2 per cent	214	$32,148.25
Loan of 1907, consols, 4 per cent	9,568	1,245,048.50
Loan of 1904, 5 per cent	659	180,715.54
Loan of 1925, 4 per cent	683	145,799.00
Loan of 1898, 3 per cent	1,115	19,740.45
Loan of 1898, 3 per cent, deposits for bonds	13,979	13,009.85
Pacific Railroads, 6 per cent	36	15,570.00
Total	26,254	1,652,031.59

WASHINGTON, D. C.

Funded loan of 1891, 4½ per cent	1	$28.12
Funded loan of 1891, 4½ per cent, continued at 2 per cent	187	16,601.75
Loan of 1907, consols, 4 per cent	7,146	438,344.50
Loan of 1904, 5 per cent	204	13,084.96
Loan of 1925, 4 per cent	391	38,267.50
Loan of 1898, 3 per cent	200	1,591.35
Loan of 1898, 3 per cent, deposits for bonds	5,385	4,708.71
Pacific Railroads, 6 per cent	19	5,520.00
Total	13,533	518,146.89

BALTIMORE, MD.

Funded loan of 1891, 4½ per cent, continued at 2 per cent	50	$7,905.00
Loan of 1907, consols, 4 per cent	1,917	328,902.00
Loan of 1904, 5 per cent	55	33,670.62
Loan of 1925, 4 per cent	140	53,916.50
Loan of 1898, 3 per cent, deposits for bonds	1,618	2,391.84
Pacific Railroads, 6 per cent	21	5,610.00
Total	3,801	432,395.96

CHICAGO, ILL.

Loan of July 12, 1882, 3 per cent	1	$3.75
Funded loan of 1891, 4½ per cent, continued at 2 per cent	364	39,845.75
Loan of 1907, consols, 4 per cent	3,259	461,641.50
Loan of 1904, 5 per cent	261	96,486.78
Loan of 1925, 4 per cent	367	49,153.00
Loan of 1898, 3 per cent	927	20,787.60
Loan of 1898, 3 per cent, deposits for bonds	19,618	19,070.31
Pacific Railroads, 6 per cent	4	450.00
Total	24,801	687,438.69

CINCINNATI, OHIO.

Funded loan of 1891, 4½ per cent, continued at 2 per cent	66	$2,646.50
Loan of 1907, consols, 4 per cent	4,423	497,650.50
Loan of 1904, 5 per cent	199	24,417.45
Loan of 1925, 4 per cent	379	63,415.50
Loan of 1898, 3 per cent	162	588.15
Loan of 1898, 3 per cent, deposits for bonds	3,416	4,617.59
Pacific Railroads, 6 per cent	1	300.00
Total	8,646	593,635.69

ST. LOUIS, MO.

Funded loan of 1891, 4½ per cent, continued at 2 per cent	68	$7,547.00
Loan of 1907, consols, 4 per cent	1,495	209,323.00
Loan of 1904, 5 per cent	98	7,925.62
Loan of 1925, 4 per cent	89	13,954.00
Loan of 1898, 3 per cent	630	18,417.90
Loan of 1898, 3 per cent, deposits for bonds	2,822	3,293.62
Pacific Railroads, 6 per cent	3	2,550.00
Total	5,205	263,011.14

Loan, number, and amount of interest checks paid at the several subtreasuries—Cont'd.

SAN FRANCISCO, CAL.

Loan.	Number.	Amount.
Funded loan of 1891, 4½ per cent, continued at 2 per cent	6	$2,312.50
Loan of 1907, consols, 4 per cent	517	177,134.50
Loan of 1904, 5 per cent	23	1,371.25
Loan of 1925, 4 per cent	100	21,949.00
Loan of 1898, 3 per cent, deposits for bonds	2,180	2,272.36
Total	2,826	205,039.61

NEW ORLEANS, LA.

Funded loan of 1891, 4½ per cent, continued at 2 per cent	13	$2,175.00
Loan of 1907, consols, 4 per cent	470	77,886.00
Loan of 1904, 5 per cent	25	1,750.00
Loan of 1925, 4 per cent	14	1,869.00
Loan of 1898, 3 per cent	71	486.90
Loan of 1898, 3 per cent, deposits for bonds	466	445.92
Total	1,059	84,612.82

NEW YORK, N. Y., AND WASHINGTON, D. C.

District of Columbia, Old funded debt, 5 and 3½ per cent	127	$36,911.00
District of Columbia, Fifty-year funded loan of 1924, 3.65 per cent	565	484,282.00
Total	692	521,193.00

There was a large increase of interest checks over the receipts of the last fiscal year, due to the issue of the 3 per cent loan of 1898, and more directly to the issue of 229,983 checks in payment of interest on deposits for bonds of this loan, the redemptions of which have now almost been completed. The files of this division show a large accumulation of paid checks for interest on registered bonds, dating from the first to the last issues, which are daily referred to by the accounting offices of the Department.

Number and amount of redeemed checks of each loan on file to date.

Loan.	Number of checks.	Amount.
Loan of July and August, 1861, 6 per cent	5,994	$3,827,538.00
Loan of July and August, 1861, 6 per cent, continued at 3½ per cent	6,203	1,781,801.92
Loan of 1863, 6 per cent	3,099	1,513,407.00
Loan of 1863, 6 per cent, continued at 3½ per cent	6,571	1,674,072.71
Funded loan of 1881, 5 per cent	202,189	109,686,395.94
Funded loan of 1881, 5 per cent, continued at 3½ per cent	54,285	16,097,015.86
Loan of July 12, 1882, 3 per cent	81,925	28,346,553.62
Funded loan of 1891, 4½ per cent	569,127	105,377,979.13
Funded loan of 1891, 4½ per cent, continued at 2 per cent	32,129	3,799,505.19
Loan of 1907, consols, 4 per cent	3,015,572	419,199,276.94
Loan of 1925, 4 per cent	40,335	13,460,641.50
Loan of 1904, 5 per cent	25,595	12,561,056.19
Loan of 1898, 3 per cent	6,183	83,746.50
Loan of 1898, 3 per cent, deposits for bonds	129,556	130,098.47
Pacific Railroads, 6 per cent	63,094	60,311,629.68
District of Columbia, Fifty-year funded loan of 1924, 3.65 per cent	16,680	9,137,521.55
District of Columbia, Old funded debt, 5 and 3½ per cent	3,687	848,087.82
Total	4,262,224	787,836,328.02

Old issues of the Government issued, redeemed, and outstanding at the close of the year.

Issue.	Total issued.	Redeemed during the year.	Total redeemed to June 30, 1899.	Outstanding.
Seven-thirty Treasury notes:				
Act of July 17, 1861	$140,094,750.00	$100.00	$140,085,350.00	$9,400.00
Act of June 30, 1864, first series	299,992,500.00	50.00	299,945,400.00	47,100.00
Act of Mar. 3, 1865, second series	331,000,000.00	.....	330,969,550.00	30,450.00
Act of Mar. 3, 1865, third series	199,000,000.00	.....	198,954,100.00	45,900.00
Total	970,087,250.00	150.00	969,954,400.00	132,850.00
Certificates of indebtedness, acts of Mar. 1 and 17, 1862, and Mar. 3, 1863:				
First issue	498,593,241.65	.....	498,591,241.65	2,000.00
Second issue	63,160,000.00	.....	63,159,000.00	1,000.00
Total	561,753,241.65	.....	561,750,241.65	3,000.00
Three per cent certificates, acts of Mar. 2, 1867, and July 25, 1868	85,155,000.00	.....	85,150,000.00	5,000.00
Refunding certificates:				
Act of Feb. 26, 1879, payable to order	58,500.00	.....	58,430.00	70.00
Act of Feb. 26, 1879, payable to bearer	39,954,250.00	3,660.00	39,916,460.00	37,790.00
Total	40,012,750.00	3,660.00	39,974,850.00	37,860.00
Gold certificates:				
Act of Mar. 3, 1863, first series	429,604,900.00	.....	429,596,800.00	8,100.00
Act of Mar. 3, 1863, Geneva award—special	33,000,580.46	.....	33,000,580.46	.....
Act of Mar. 3, 1863, series of 1870	370,500,000.00	.....	370,471,000.00	29,000.00
Act of Mar. 3, 1863, series of 1871	5,000,000.00	200.00	4,998,000.00	2,000.00
Act of Mar. 3, 1863, series of 1875	143,029,400.00	100.00	142,887,400.00	142,000.00
Total	981,134,880.46	300.00	980,953,780.46	181,100.00
One-year Treasury notes, act of Mar. 3, 1863	44,520,000.00	30.00	44,488,295.00	31,705.00
Two-year Treasury notes:				
Act of Mar. 3, 1863, issued without coupons	16,480,000.00	.....	16,472,650.00	7,350.00
Act of Mar. 3, 1863, issued with coupons	150,000,000.00	.....	149,980,000.00	20,000.00
Total	166,480,000.00	.....	166,452,650.00	27,350.00
Compound-interest notes:				
Act of Mar. 3, 1863	17,993,760.00	50.00	17,982,870.00	10,890.00
Act of June 30, 1864	248,601,680.00	660.00	248,444,450.00	157,230.00
Total	266,595,440.00	710.00	266,427,320.00	168,120.00

As shown elsewhere in this report, there is a very large accumulation of canceled, redeemed, exchanged, and transferred coupon bonds now on file in this office, including both old matured issues and new loans, and which is steadily increasing as exchanges of coupon for registered bonds take place in the various active loans.

The early issues of coupon bonds referred to, date from the issue of 1848 to and including the funded loan of 1891.

Number and amount of matured loans on file, and number and amount at present outstanding of each loan.

Loan.	On file.		Outstanding.	
	Number.	Amount.	Number.	Amount.
Loan of 1848	126	$136,000	.....	.....
Loan of 1858	147	147,000	2	$2,000
Loan of February, 1861	4,678	4,678,000	5	5,000
Loan of July and August, 1861	93,253	64,151,300	56	29,500
Five-twenties of 1862, four series	5,065	1,616,450	443	215,750
Loan of 1863	29,809	21,548,450	12	4,000
Ten-forties of 1864	77,343	52,851,950	67	19,500
Five-twenties of June, 1864	1,116	499,650	27	15,900
Five-twenties of 1865, four series	803,830	385,641,200	617	226,200
Funded loan of 1881	385,278	305,160,400	40	26,100
Funded loan of 1891	106,286	84,352,850	78	33,550
Total	1,506,931	920,783,250	1,347	577,500

While this division has a complete record of each redeemed and exchanged coupon bond, and a perfect list of the outstanding bonds of the old matured loans enumerated in the above table, it would seem that the preservation of the latter is scarcely necessary; still, there is a doubt if their destruction could take place without resulting in some complications in the future. In their destruction, however, ample space room, now so imperatively necessary, would be furnished for the proper filing of exchanged coupon bonds of the later issues, which are being daily received and accumulating in very large quantities without suitable space for storing and filing.

I desire, in conclusion, to express my appreciation of the accuracy and faithfulness with which the clerks in this office have performed their duties. The six temporary clerks allowed by act of Congress approved February 24, 1899, were imperatively required to meet the increased work entailed by the 3 per cent loan. They have become thoroughly familiar with their duties, and in consequence very efficient, and as the business of this office will necessitate this additional force I trust we will not have to dispense with their services.

Respectfully submitted.

JUDSON W. LYONS, *Register.*

Hon. LYMAN J. GAGE,
Secretary of the Treasury.

REPORT OF THE COMMISSIONER OF INTERNAL REVENUE.

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER OF INTERNAL REVENUE,
Washington, D. C., November 1, 1899.

SIR: In compliance with the instructions contained in your letter of July 17, 1899, I have the honor to submit the following report of the operations of the Bureau of Internal Revenue for the fiscal year ended June 30, 1899, together with certain additional information relating to the receipts from the various sources of internal revenue during the months of July, August, September, and October of the current fiscal year.

The titles of the tables *a* found at the close of the annual report of the Commissioner of Internal Revenue are as follows:

Table A, showing the receipts from each specific source of internal revenue and the amounts refunded in each collection district, State, and Territory of the United States for the fiscal year ended June 30, 1899.

Table B, showing the number and value of all internal-revenue stamps, the number of the different kinds of certificates of registry, and the number and value of documentary stamps used for validating unstamped instruments, issued to collectors of internal revenue during the fiscal year ended June 30, 1899.

Table C, showing the percentages of receipts from the several general sources of internal revenue now taxable in each State and Territory of the United States to the aggregate receipts from the same sources, by fiscal years, from July 1, 1863, to June 30, 1899.

Table D, showing the aggregate receipts of internal revenue in each collection district, State, and Territory of the United States, by fiscal years, from September 1, 1862, to June 30, 1899.

a Omitted from this volume.

Table E, showing the receipts from specific and general sources of internal revenue, by fiscal years, from September 1, 1862, to June 30, 1899.

Table F, showing the ratio of receipts from specific sources of internal revenue to the aggregate receipts of the same, by fiscal years, from July 1, 1863, to June 30, 1899.

Table G, showing the returns of distilled spirits, fermented liquors, manufactured tobacco, snuff, cigars, and cigarettes, under the several acts of legislation and by fiscal years, from September 1, 1862, to June 30, 1899; also statement of the production of distilled spirits and fermented liquors in the several States and Territories, by fiscal years, from July 1, 1877, to June 30, 1899.

Table H, showing the receipts from special taxes in the several States and Territories for the twelve months ended June 30, 1899.

Table I, showing the collections, expenses, and percentage cost of collection in the several collection districts, during the fiscal years ended June 30, 1898 and 1899.

COLLECTIONS FOR THE FISCAL YEAR ENDED JUNE 30, 1899.

In the last annual report of the Commissioner of Internal Revenue it was estimated that the collections from all sources of internal revenue for the fiscal year just ended would aggregate $270,000,000.

I am gratified to state that the actual receipts were $273,484,573.44 and that the estimate was exceeded by $3,484,573.44.

RECEIPTS FOR THE PAST TEN FISCAL YEARS.

Fiscal year ended—	
June 30, 1899	$273,484,573.44
June 30, 1898	170,866,819.36
June 30, 1897	146,619,593.47
June 30, 1896	146,830,615.66
June 30, 1895	143,246,077.75
June 30, 1894	147,168,449.70
June 30, 1893	161,004,989.67
June 30, 1892	153,857,544.35
June 30, 1891	146,035,415.97
June 30, 1890	142,594,696.57

Schedule of articles and occupations subject to tax under the internal-revenue laws of the United States in force November 1, 1899.

SPECIAL TAXES.

	Rate of tax.
Rectifiers of less than 500 barrels a year	$100.00
Rectifiers of 500 barrels or more a year	200.00
Retail liquor dealers	25.00
Wholesale liquor dealers	100.00
Retail dealers in malt liquors	20.00
Wholesale dealers in malt liquors	50.00
Manufacturers of stills	50.00
and for stills or worms, manufactured, each	20.00
Brewers, annual manufacture less than 500 barrels	50.00
annual manufacture 500 barrels or more	100.00
Manufacturers of oleomargarine	600.00
Wholesale dealers in oleomargarine	480.00
Retail dealers in oleomargarine	48.00
Manufacturers of filled cheese	400.00
Wholesale dealers in filled cheese	250.00
Retail dealers in filled cheese	12.00
Bankers with capital, preceding fiscal year, not over $25,000	50.00
For every additional thousand in excess of $25,000	2.00
(In estimating capital, surplus shall be included.)	
Brokers who have not paid as bankers	50.00
Pawnbrokers	20.00
Commercial brokers	20.00

	Rate of tax.
Custom-house brokers	$10.00
Proprietors of theaters, museums, and concert halls, in cities of over 25,000 population per last census	100.00
Proprietors of circuses	100.00
Proprietors or agents of all other exhibitions or shows for money	10.00
Proprietors of bowling alleys and billiard rooms, for each alley or table	5.00
Dealers in leaf tobacco, sales not over 50,000 pounds	6.00
Over 50,000 and not over 100,000 pounds	12.00
Over 100,000 pounds	24.00
Dealers in tobacco, sales over 50,000 pounds	12.00
Manufacturers of tobacco, sales not over 50,000 pounds	6.00
Over 50,000 and not over 100,000 pounds	12.00
Over 100,000 pounds	24.00
Manufacturers of cigars, sales not over 100,000 cigars	6.00
Over 100,000 and not over 200,000 cigars	12.00
Over 200,000 cigars	24.00
Manufacturers, packers, or repackers of mixed flour	12.00
DISTILLED SPIRITS, ETC.	
Distilled spirits, per gallon	1.10
Stamps for distilled spirits intended for export, each	.10
Except when affixed to packages containing two or more 5-gallon cans for export	.05
Case stamps for spirits bottled in bond	.10
Wines, liquors, or compounds known or denominated as wine, and made in imitation of sparkling wine or champagne, but not made from grapes grown in the United States, and liquors, not made from grapes, currants, rhubarb, or berries grown in the United States, but produced by being rectified or mixed with distilled spirits or by the infusion of any matter in spirits, to be sold as wine, or as a substitute for wine, in bottles containing not more than 1 pint, per bottle or package	.10
Same, in bottles containing more than 1 pint, and not more than 1 quart, per bottle or package	.20
(And at the same rate for any larger quantity of such merchandise, however put up, or whatever may be the package.)	
Stamp tax on wine bottled for sale. (*See* Schedule B.)	
FERMENTED LIQUORS.	
Fermented liquors, per barrel, containing not more than 31 gallons	2.00
(And at a proportionate rate for halves, thirds, quarters, sixths, and eighths of barrels.)	
More than one barrel of 31 gallons, and not more than 63 gallons, in one package	4.00
TOBACCO AND SNUFF.	
Tobacco, however prepared, manufactured and sold, or removed for consumption or sale, per pound	.12
Snuff, however prepared, manufactured and sold, or removed for consumption or sale, per pound	.12
CIGARS AND CIGARETTES.	
Cigars, of all descriptions, made of tobacco, or any substitute, weighing over 3 pounds per thousand, per thousand	3.60
Cigars, of all descriptions, made of tobacco, or any substitute, weighing not over 3 pounds per thousand, per thousand	1.00
Cigarettes, made of tobacco, or any substitute, weighing over 3 pounds per thousand, per thousand	3.60
Cigarettes, made of tobacco, or any substitute, weighing not over 3 pounds per thousand, per thousand	1.50
OLEOMARGARINE.	
All substances heretofore known as oleomargarine, oleo, oleomargarine oil, butterine, lardine, suine, and neutral; all mixtures and compounds of oleomargarine, oleo, oleomargarine oil, butterine, lardine, suine, and neutral; all lard extracts and tallow extracts; and all mixtures and compounds of tallow, beef fat, suet, lard, lard oil, vegetable oil, annotto, and other coloring matter, intestinal fat, and offal fat made in imitation or semblance of butter, or when so made, calculated or intended to be sold as butter or for butter, domestic, per pound	.02
Same, imported from foreign countries, per pound	.15

FILLED CHEESE.

	Rate of tax.
Tax on, per pound	$0.01
Tax on imported, per pound	.08

OPIUM.

Prepared smoking opium, per pound	10.00

MIXED FLOUR.

Per barrel of 196 pounds, or more than 98 pounds	.04
Half barrel of 98 pounds, or more than 49 pounds	.02
Quarter barrel of 49 pounds, or more than 24½ pounds	.01
Eighth barrel, of 24½ pounds or less	.00½

(Mixed flour imported from foreign countries, in addition to import duties, must pay internal-revenue tax as above.)

STAMP DUTIES ON AND AFTER JULY 1, 1898.

Schedule A.—Documentary.

1. Bonds, debentures, or certificates of indebtedness of any association, company, or corporation, on each $100 of face value or fraction thereof	.05
2. On each original issue of certificates of stock, whether on organization or reorganization, on each $100 of face value or fraction thereof	.05
On all sales, agreements to sell, memoranda of sales, deliveries or transfers of shares, or certificates of stock of any association or corporation, on each $100 of face value or fraction thereof	.02
3. Upon each sale, agreement to sell, or agreement of sale of any products or merchandise at any exchange or board of trade, or other similar place, either for present or future delivery, for each $100 in value of said sale	.01
And for each $100 or fractional part thereof in excess of $100	.01
4. Bank check, draft, certificate of deposit not drawing interest, or order for the payment of any sum of money drawn upon or issued by any bank, trust company, or any person or persons, companies, or corporations, at sight or on demand	.02
5. Bill of exchange (inland), draft, certificate of deposit drawing interest, or order for payment of any sum of money otherwise than at sight or on demand, or any promissory note, except bank notes issued for circulation, and for each renewal of same, for a sum not exceeding $100	.02
And for each additional $100 or fractional part thereof in excess of $100	.02
(This clause applies to money orders issued by the Government.)	
6. Bill of exchange (foreign), or letter of credit (including orders by telegraph, or otherwise, issued by express or other companies, or any person or persons), drawn in, but payable out of, the United States, drawn singly or otherwise than in sets of three or more, for not exceeding $100	.04
And for each additional $100, or fractional part thereof in excess of $100	.04
If drawn in sets of two or more, for every bill of each set for a sum not exceeding $100, or its equivalent in foreign currency, value fixed by the United States standard	.02
For each additional $100, or fractional part thereof in excess of $100	.02
7. Bills of lading or receipt (other than charter party), for goods, etc., to be exported	.10
8. Bills of lading, manifests, etc., issued by express companies, or public carriers, etc., and each duplicate thereof	.01
9. Bond, indemnifying, etc., except those required in legal proceedings	.50
10. Certificates of profits, or certificates of memoranda showing interest in the property or accumulations of any association, company, or corporation, and all transfers thereof, on each $100 of face value or fraction thereof	.02
11. Certificate of damage, or otherwise, and all other certificates or documents issued by port warden or marine surveyor	.25
12. Certificates of any description required by law, not otherwise specified	.10
13. Charter party, contract or agreement for the charter of any ship, vessel, or steamer, or any renewal or transfer thereof, for every ship not exceeding 300 tonnage	3.00
More than 300 and not exceeding 600 tonnage	5.00
More than 600 tonnage	10.00
14. Contract, broker's note, or memoranda of sale of goods or merchandise, stock, bonds, exchange, notes of hand, real estate, or property of any kind issued by brokers, etc., for each note or memorandum of sale not otherwise provided for in act	.10

	Rate of tax.
15. Conveyance—deed, instrument or writing conveying lands, tenements, or other realty, etc., value over $100 and not exceeding $500	$0.50
For each additional $500 or fraction thereof	.50
16. Dispatch, telegraphic, on each message	.01
17. Entry of goods, wares, and merchandise in custom-house, not exceeding $100 in value	.25
Exceeding $100 and not exceeding $500	.50
Exceeding $500 in value	1.00
Entry for withdrawal of goods or merchandise from customs bonded warehouse	.50
18. Insurance, life, on every policy, except any fraternal beneficiary society or order, for each $100 or fractional part thereof on the amount insured.	.08
Industrial or weekly payment plan, the tax is 40 per centum of the amount of the first weekly premium, as to which sworn statement is required to be made to the collector of the total amount of first weekly premiums received on policies issued during preceding month.	
19. Insurance, marine, inland, and fire (except purely cooperative or mutual), on each policy, or renewal, on amount of premium charged on each $1 or fractional part	.00½
20. Insurance, casualty, fidelity, and guarantee, on each policy, on each $1 or fractional part thereof of premium received	.00½
21. Lease, agreement, memorandum, or contract for the hire, use, or rent of land or tenement, not exceeding one year	.25
Exceeding one year and not exceeding three years	.50
If exceeding three years	1.00
22. Manifest for custom-house entry or clearance of cargo of any ship, vessel, or steamer for a foreign port, registered tonnage not exceeding 300 tons	1.00
Exceeding 300 tons and not exceeding 600 tons	3.00
Exceeding 600 tons	5.00
(Does not apply to vessels plying between ports of United States and ports in British North America.)	
23. Mortgage, or pledge of lands, estate, or property, real or personal, hereditable, movable, or made for payment of definite sums of money, also any conveyance of lands, estate, or property whatsoever, in trust, etc., exceeding $1,000 and not more than $1,500	.25
On each $500 or fractional part in excess of $1,500	.25
(Same as above in all assignments or transfers.)	
24. Passage tickets by any vessel from the United States to a foreign port, costing not exceeding $30	1.00
More than $30 and not exceeding $60	3.00
More than $60	5.00
25. Power of attorney or proxy for voting at an election for officers of any incorporated company or association, except religious, charitable, literary, or public cemeteries	.10
26. Power of attorney to sell or convey real estate or to rent or lease the same, to collect or receive rent, to sell or transfer stock, bonds, etc	.25
(Papers used in the collection of pension, back pay, or bounty claims, or claims for property lost in military or naval service are exempt.)	
27. Protest: Upon the protest of every note, bill of exchange, acceptance, check, or draft, or any marine protest	.25
28. Telephone messages: Every person, firm, or corporation operating any telephone line or lines is required to make, within the first fifteen days of each month, a sworn statement to the collector of the number of messages or conversations transmitted over their lines during preceding month for which a charge of 15 cents or more was imposed, and for each of such messages or conversations to pay a tax of	.01
29. Warehouse receipt for goods, merchandise, or property held on storage, except agricultural products deposited by actual grower	.25

Schedule B.—Proprietary.

MEDICINAL PROPRIETARY ARTICLES AND PREPARATIONS.

1. For and upon every packet, box, bottle, pot, or phial, etc., containing any pills, powders, tinctures, waters (except natural spring waters and carbonated natural spring waters), etc., made and sold by any person whatsoever, claiming any private formula, secret or occult art, etc., sold under letters patent or trade-marks, etc., or recommended as remedies or specifics for any disease, when such packet, box, bottle, or phial, etc., shall not exceed the sum of 5 cents at the retail price	.00⅛

	Rate of tax.
When retail price exceeds 5 cents and does not exceed 10 cents	$0.00⅔
When retail price exceeds 10 cents and does not exceed 15 cents	.00⅔
When retail price exceeds 15 cents and does not exceed 25 cents	.00⅔
And for each additional 25 cents or fractional part thereof	.00⅔
2. Perfumery and cosmetics and other similar articles:	
For and upon every packet, box, bottle, pot, or phial, etc., where such packet, box, bottle, pot, phial, and contents shall not exceed in retail price 5 cents	.00⅓
When retail price exceeds 5 cents and does not exceed 10 cents	.00⅔
When retail price exceeds 10 cents and does not exceed 15 cents	.00⅔
When retail price exceeds 15 cents and does not exceed 25 cents	.00⅔
And for each additional 25 cents of retail price or value or fractional part thereof in excess of 25 cents	.00⅔
3. Chewing gums or substitute therefor:	
For and upon each box, carton, jar, or package containing chewing gum, when the retail value does not exceed $1	.04
If exceeding $1, for each additional dollar or fractional part thereof	.04
4. Sparkling or other wines when bottled for sale:	
Upon each bottle containing 1 pint or less	.01
Upon each bottle containing more than 1 pint	.02

STAMP TAX NOT UNDER SCHEDULES A AND B.

On seats in parlor or palace cars and berths in sleeping cars (stamp to be affixed to the ticket by the company)	.01

TAX ON LEGACIES AND DISTRIBUTIVE SHARES OF PERSONAL PROPERTY.

When the whole amount of personal property exceeds $10,000 in actual value, passing from any person on or after June 13, 1898, taxes accrue and should be paid before distribution to the legatees as follows:

Personal property valued over $10,000 and not over $25,000, the tax is:

1. Legatee being of lineal issue, or lineal ancestor, brother or sister to the person who died, for each and every $100 clear value	$0.75
2. Legatee being the descendant of a brother or sister of the person who died, for each and every $100 clear value	1.50
3. Where legatee is the brother or sister of the father or mother, or a descendant of a brother or sister of the father or mother of the person who died, for each and every $100 clear value	3.00
4. Where legatee is the brother or sister of the grandfather or grandmother, or a descendant of the brother or sister of the grand parents of the person who died, for each and every $100 clear value	4.00
5. Where legatee shall be in any other degree of collateral consanguinity than is hereinbefore stated, or a stranger in blood to the person who died, or shall be a body politic or corporate, for each and every $100 clear value	5.00

Legacies, etc., passing to husband or wife of the person who died are exempt from tax or duty.

Where the amount or value of the whole property left by the decedent exceeds $25,000, the rates hereinbefore given are required to be multiplied as follows:

Over $25,000 and not over $100,000, by 1½.
Over $100,000 and not over $500,000, by 2.
Over $500,000 and not over $1,000,000, by 2½.
Over $1,000,000, by 3.

EXCISE TAXES ON PERSONS, FIRMS, COMPANIES, AND CORPORATIONS ENGAGED IN REFINING PETROLEUM AND SUGAR, WHOSE GROSS ANNUAL RECEIPTS EXCEED $250,000.

One-fourth of 1 per cent on gross amount of receipts in excess of said sum.

BANKS AND BANKERS.

Circulation issued by any bank, etc., or person, per month	½ of 1 p. ct.
Circulation exceeding 90 per cent of capital, in addition, per month	⅙ of 1 p. ct.
Banks, etc., on amount of notes of any person, State bank, or State banking association, used for circulation and paid out	10 per cent.
Banks, etc., bankers, or associations, on amount of notes of any town, city, or municipal corporation paid out by them	10 per cent.
Every person, firm, association, other than national-bank associations, and every corporation, State bank, or State banking association, on the amount of *their own notes* used for circulation and paid out by them.	10 per cent.

Every such person, firm, association, corporation, State bank, or State banking association, and also every national banking association, on the amount of notes of any person, firm, association, other than a national banking association, or of any corporation, State bank, or State banking association, or of any town, city, or municipal corporation, used for circulation and paid out by them ..... 10 per cent.

PLAYING CARDS.

Playing cards, per pack, containing not more than fifty-four cards $0.02

TAXES NOT PAYABLE BY STAMPS.

Tax on deficiencies in production of spirits.
on excess of materials used in production of spirits.
on circulation of banks and bankers.
on notes paid out by banks and others.
On telephone messages.
On policies of life insurance issued on industrial or weekly payment plan.
Excise taxes on persons, firms, companies, and corporations engaged in refining petroleum and sugar.
Legacies and distributive shares of personal property.
Special tax on banks and bankers.
Penalties of 50 per cent and 100 per cent.

INTERNAL-REVENUE RECEIPTS DURING THE LAST TWO FISCAL YEARS.

COMPARATIVE STATEMENT SHOWING THE RECEIPTS FROM THE SEVERAL OBJECTS OF INTERNAL TAXATION IN THE UNITED STATES DURING THE FISCAL YEARS ENDED JUNE 30, 1898 AND 1899.

Objects of taxation.	Receipts during fiscal years ended June 30—		Increase.	Decrease.
	1898.	1899.		
SPIRITS.				
Spirits distilled from apples, peaches, grapes, pears, pineapples, oranges, apricots, berries, and prunes	$1,552,592.94	$1,436,839.50		$115,753.44
Spirits distilled from materials other than apples, peaches, grapes, pears, pineapples, oranges, apricots, berries, and prunes	86,188,630.91	92,201,245.77	$6,012,614.86	
Rectifiers (special tax)	221,225.24	259,899.41	38,674.17	
Retail liquor dealers (special tax)	4,152,572.53	4,895,086.63	742,514.10	
Wholesale liquor dealers (special tax)	393,216.74	469,874.04	76,657.30	
Manufacturers of stills (special tax)	822.91	1,077.11	254.20	
Stills and worms manufactured (special tax)	1,690.00	2,380.00	690.00	
Stamps for distilled spirits intended for export	2,678.00	2,563.10		114.90
Case stamps for distilled spirits bottled in bond	33,570.50	14,568.00		19,002.50
Total	92,546,999.77	99,283,534.16	6,736,534.39	
TOBACCO.				
Cigars weighing more than 3 pounds per thousand	13,626,049.71	a16,307,108.05	2,681,058.34	
Cigars weighing not more than 3 pounds per thousand	405,676.88	547,415.52	141,738.64	
Cigarettes weighing not more than 3 pounds per thousand	3,593,011.69	4,203,753.86	610,742.17	
Cigarettes weighing more than 3 pounds per thousand	6,693.47	9,461.39	2,767.92	
Snuff	931,869.04	b1,751,797.44	819,928.40	
Tobacco, chewing and smoking	17,657,276.45	c28,453,989.26	10,796,712.81	
Dealers in leaf tobacco		73,657.46	73,657.46	
Dealers in manufactured tobacco		22,462.00	22,462.00	
Manufacturers of tobacco		29,139.12	29,139.12	
Manufacturers of cigars		324,090.01	324,090.01	
Miscellaneous collections relating to tobacco	9,945.13	770,333.53	760,388.40	
Total	36,230,522.37	52,493,207.64	16,262,685.27	

a Includes $2,161.23, at $3 per M.
b Includes $3,455.27, at 6 cents per pound.
c Includes $1,935.92, at 6 cents per pound.

COMPARATIVE STATEMENT SHOWING THE RECEIPTS FROM THE SEVERAL OBJECTS OF INTERNAL TAXATION, ETC.—Continued.

Objects of taxation.	Receipts during fiscal years ended June 30—		Increase.	Decrease.
	1898.	1899.		
FERMENTED LIQUORS.				
Ale, beer, lager beer, porter, and other similar fermented liquors	$38,885,151.63	a $67,673,301.31	$28,788,149.68	
Brewers (special tax)	152,647.61	179,357.40	26,709.79	
Retail dealers in malt liquors (special tax)	201,150.15	232,399.56	31,249.41	
Wholesale dealers in malt liquors (special tax)	276,471.75	382,409.34	105,937.59	
Additional collections on fermented liquors stored in warehouse, act of June 13, 1898		177,090.84	177,090.84	
Total	39,515,421.14	68,644,558.45	29,129,137.31	
OLEOMARGARINE.				
Oleomargarine, domestic and imported	1,107,774.54	1,609,912.56	502,138.02	
Manufacturers of oleomargarine (special tax)	7,600.00	11,500.00	3,900.00	
Retail dealers in oleomargarine (special tax)	156,134.00	263,322.00	107,188.00	
Wholesale dealers in oleomargarine (special tax)	44,272.00	71,884.00	27,612.00	
Total	1,315,780.54	1,956,618.56	640,838.02	
FILLED CHEESE.				
Filled cheese, domestic and imported	14,129.23	16,886.41	2,757.18	
Manufacturers of filled cheese (special tax)	2,233.32	1,200.01		$1,033.31
Retail dealers in filled cheese (special tax)	156.00	12.00		144.00
Wholesale dealers in filled cheese (special tax)				
Total	16,518.55	18,098.42	1,579.87	
MIXED FLOUR.				
Per barrel of 196 pounds, or more than 98 pounds		1,787.10	1,787.10	
Half barrel of 98 pounds, or more than 49 pounds		1,961.23	1,961.23	
Quarter barrel of 49 pounds, or more than 24½ pounds		532.01	532.01	
Eighth barrel of 24½ pounds or less		1,700.88	1,700.88	
Manufacturers, packers, or repackers of mixed flour (special tax)		1,859.40	1,859.40	
Total		7,840.62	7,840.62	
SPECIAL TAXES NOT ELSEWHERE ENUMERATED.				
Bankers, capital not exceeding $25,000	2,500.00	448,702.08	446,202.08	
Bankers, capital exceeding $25,000, for each additional $1,000 in excess of $25,000	44,473.00	3,302,134.91	3,257,661.91	
Billiard rooms		367,074.65	367,074.65	
Brokers, stocks, bonds, etc		357,010.70	357,010.70	
Brokers, commercial		181,919.42	181,919.42	
Brokers, custom-house		8,105.01	8,105.01	
Brokers, pawn		50,522.73	50,522.73	
Bowling alleys		61,349.22	61,349.22	
Circuses		18,233.17	18,233.17	
Exhibitions not otherwise provided for		72,164.93	72,164.93	
Theaters, museums, and concert halls		54,376.39	54,376.39	
Total	46,973.00	4,921,593.21	4,874,620.21	
LEGACIES AND DISTRIBUTIVE SHARES OF PERSONAL PROPERTY.				
Legacies, lineal issue or ancestor, brother or sister		558,247.00	558,247.00	
Legacies, descendant of a brother or sister		225,568.08	225,568.08	
Legacies, brother or sister of the father or mother, or a descendant of a brother or sister of the same		48,630.55	48,630.55	
Legacies, brother or sister of the grandfather or grandmother, or a descendant of the brother or sister of the same		6,721.99	6,721.99	

a Includes $2,070.31, at $1 per barrel.

COMPARATIVE STATEMENT SHOWING THE RECEIPTS FROM THE SEVERAL OBJECTS OF INTERNAL TAXATION, ETC.—Continued.

Objects of taxation.	Receipts during fiscal years ended June 30—		Increase.	Decrease.
	1898.	1899.		
LEGACIES AND DISTRIBUTIVE SHARES OF PERSONAL PROPERTY—continued.				
Legacies, any other degree of collateral consanguinity than is hereinbefore stated, or stranger in blood		$396,267.63	$396,267.63	
Total		1,235,435.25	1,235,435.25	
SCHEDULES A AND B.				
Schedule A	$724,073.94	38,618,081.20	37,894,007.26	
Schedule B	70,343.66	5,219,737.46	5,149,393.80	
Total	794,417.60	43,837,818.66	43,043,401.06	
BANKS AND BANKERS, ETC.				
Bank circulation				
Notes of persons, State banks, towns, cities, etc., paid out	1,180.00			$1,180.00
Total	1,180.00			1,180.00
MISCELLANEOUS.				
Excise tax on gross receipts		643,446.41	643,446.41	
Opium	114.90			114.90
Playing cards	261,080.66	271,128.84	10,048.18	
Penalties	136,750.07	166,576.25	29,826.18	
Collections not otherwise herein provided for	1,060.76	4,716.97	3,656.21	
Total	399,006.39	1,085,868.47	686,862.08	
Aggregate receipts	170,866,819.36	273,484,573.44	102,617,754.08	

WITHDRAWALS FOR CONSUMPTION DURING THE LAST TWO FISCAL YEARS.

The quantities of distilled spirits, fermented liquors, manufactured tobacco, snuff, cigars, cigarettes, oleomargarine, and filled cheese on which tax was paid during the last two fiscal years are as follows:

Articles taxed.	Fiscal years ended June 30—		Increase.	Decrease.
	1898.	1899.		
Spirits distilled from apples, peaches, grapes, pears, pineapples, oranges, apricots, berries, and prunes.....gals..	1,411,448	1,306,218		$105,230
Spirits distilled from materials other than apples, peaches, grapes, pears, pineapples, oranges, apricots, berries, and prunes, gals	$78,353,301	$83,819,314	$5,466,013	
Fermented liquors.....bbls..	37,493,306	a 36,581,114		912,192
Cigars, weighing more than 3 pounds per thousand.....no..	4,505,260,517	b 4,529,872,304	24,611,787	
Cigars, weighing not more than 3 pounds per thousand.....no..	405,676,880	547,415,520	141,738,640	
Cigarettes, weighing not more than 3 pounds per thousand.....no..	3,751,486,797	2,802,562,573		948,984,224
Cigarettes, weighing more than 3 pounds per thousand.....no..	2,211,111	2,628,164	417,053	
Snuff.....lbs..	15,225,134	c 14,627,106		598,028
Tobacco, chewing and smoking.....lbs..	288,160,613	d 237,132,710		51,027,903
Oleomargarine.....lbs..	55,388,727	80,495,628	25,106,901	
Filled cheese.....lbs..	1,412,923	1,688,641	275,718	

a Includes 2,070 barrels at $1 per barrel.
b Includes 720,410 at $3 per M.
c Includes 57,588 pounds at 6 cents per pound.
d Includes 32,265 pounds at 6 cents per pound.

NOTE.—The quantity of mixed flour withdrawn can not be stated, owing to the variable number of pounds taxed.

RECEIPTS, BY STATES AND TERRITORIES, DURING THE LAST FISCAL YEAR.

Aggregate Collections of Internal Revenue, by States and Territories, during the Fiscal Year ended June 30, 1899.

States and Territories.	Aggregate collections.	States and Territories.	Aggregate collections.
Alabama	$508,296.92	Montana[g]	$681,097.21
Arkansas	269,936.30	Nebraska[h]	3,428,079.38
California[a]	4,348,693.48	New Hampshire[i]	1,341,036.09
Colorado[b]	1,248,135.22	New Jersey	8,074,261.18
Connecticut[c]	2,916,759.03	New Mexico[k]	152,807.28
Florida	682,422.50	New York	46,634,980.98
Georgia	941,726.30	North Carolina	4,921,016.91
Illinois	47,359,523.87	Ohio	21,341,065.75
Indiana	17,213,070.97	Oregon[l]	1,074,921.81
Iowa	2,003,256.26	Pennsylvania	23,335,573.53
Kansas[d]	944,825.37	South Carolina	284,278.15
Kentucky	22,215,234.23	Tennessee	2,173,895.50
Louisiana[e]	2,254,173.74	Texas	1,577,833.59
Maryland[f]	8,130,409.41	Virginia	4,815,851.08
Massachusetts	8,153,620.36	West Virginia	1,430,106.57
Michigan	4,643,795.49	Wisconsin	9,467,065.41
Minnesota	2,567,688.23		
Missouri	16,369,075.34	Total	273,484,573.44

a Including the State of Nevada.
b Including the State of Wyoming.
c Including the State of Rhode Island.
d Including the Indian Territory and the Territory of Oklahoma.
e Including the State of Mississippi.
f Including the State of Delaware, District of Columbia, and two counties of Virginia.
g Including the States of Idaho and Utah.
h Including the States of North Dakota and South Dakota.
i Including the States of Maine and Vermont.
k Including the Territory of Arizona.
l Including the State of Washington and the Territory of Alaska.

Amount of Internal Revenue Collected in the Several States, Territories, etc., that have been Consolidated with other Districts, for the Fiscal Year ended June 30, 1899.

States, Territories, etc.	Amount collected.	States, Territories, etc.	Amount collected.
Alaska	$23,900.60	Nevada	$31,911.58
Arizona	65,935.28	New Hampshire	797,956.31
California	4,316,781.90	New Mexico	66,932.00
California, fourth district of	591,817.72	North Dakota	96,642.43
Colorado	1,197,501.71	Oklahoma Territory	54,355.59
Connecticut	1,800,524.53	Oregon	413,775.87
Delaware	221,883.48	Rhode Island	1,116,234.50
District of Columbia	979,713.75	South Dakota	172,707.51
Idaho	38,821.50	Utah	205,557.30
Indian Territory	24,241.44	Vermont	196,213.68
Kansas	866,228.34	Virginia	4,818,191.18
Louisiana	2,163,331.35	Virginia, two counties of Accomac and Northampton, belonging to collection district of Maryland	2,340.10
Maine	346,866.10		
Maryland	6,926,472.08	Washington	637,245.34
Mississippi	90,842.39	Wyoming	50,635.51
Montana	436,718.41		
Nebraska	3,158,729.44		

RECEIPTS FOR FIRST FOUR MONTHS, CURRENT FISCAL YEAR.

The following table shows the receipts from the several objects of taxation for the first four months of the fiscal years ending June 30, 1899 and 1900. A comparison of the receipts for the two periods is also given.

Objects of taxation.	Amount of tax paid during first four months of fiscal year—		Increase.	Decrease.
	1899.	1900.		
SPIRITS.				
Spirits distilled from apples, peaches, grapes, pears, pineapples, oranges, apricots, berries, and prunes	$436,532.30	$456,611.41	$20,079.11	
Spirits distilled from materials other than apples, peaches, grapes, pears, pineapples, oranges, apricots, berries, and prunes	27,854,245.00	32,804,622.82	4,950,377.82	
Rectifiers (special tax)	120,357.48	120,945.90	588.42	
Retail liquor dealers (special tax)	2,818,605.90	2,588,313.18		$230,292.72
Wholesale liquor dealers (special tax)	258,859.74	251,741.86		7,117.88
Manufacturers of stills (special tax)	747.95	783.34	35.39	
Stills and worms manufactured (special tax)	880.00	920.00	40.00	
Stamps for distilled spirits intended for export	743.60	726.30		17.30
Case stamps for distilled spirits bottled in bond	4,604.00	4,902.00	298.00	
Total	31,495,575.97	36,229,566.81	4,733,990.84	
TOBACCO.				
Cigars weighing more than 3 pounds per thousand	5,234,241.54	6,452,915.40	1,218,673.86	
Cigars weighing not more than 3 pounds per thousand	170,446.98	254,273.11	83,826.13	
Cigarettes weighing not more than 3 pounds per thousand	1,437,096.21	1,417,938.20		19,158.01
Cigarettes weighing more than 3 pounds per thousand	2,617.34	4,587.26	1,969.92	
Snuff	369,985.32	646,621.27	276,635.95	
Tobacco, chewing and smoking	7,874,507.17	10,927,349.98	3,052,842.81	
Dealers in leaf tobacco	45,475.25	41,605.10		3,870.15
Dealers in manufactured tobacco	14,424.00	7,018.50		7,405.50
Manufacturers of tobacco	17,503.50	9,264.25		8,329.25
Manufacturers of cigars	212,592.29	113,476.55		99,115.74
Miscellaneous collections relating to tobacco	734,619.63	1,521.59		733,098.04
Total	16,113,599.23	19,876,571.21	3,762,971.98	
FERMENTED LIQUORS.				
Ale, beer, lager beer, porter, and other similar fermented liquors	25,577,398.19	27,574,692.23	1,997,294.04	
Brewers (special tax)	100,341.50	85,629.29		14,712.21
Retail dealers in malt liquors (special tax)	151,891.69	152,057.18	165.49	
Wholesale dealers in malt liquors (special tax)	216,479.34	206,252.94		10,226.40
Additional collections on fermented liquors stored in warehouse, act of June 13, 1898	140,601.26	2,515.36		138,085.90
Total	26,186,711.98	28,021,147.00	1,834,435.02	
OLEOMARGARINE.				
Oleomargarine, domestic and imported	462,429.00	620,689.94	158,260.94	
Manufacturers of oleomargarine (special tax)	7,150.00	6,000.00		1,150.00
Retail dealers in oleomargarine (special tax)	142,376.00	211,382.63	69,006.63	
Wholesale dealers in oleomargarine (special tax)	37,820.00	50,400.00	12,580.00	
Total	649,775.00	888,472.57	238,697.57	

Objects of taxation.	Amount of tax paid during first four months of fiscal year—		Increase.	Decrease.
	1899.	1900.		
SPECIAL TAXES NOT ELSEWHERE ENUMERATED.				
Bankers, capital not exceeding $25,000	$330,081.67	$245,428.09		$84,653.58
Bankers, capital exceeding $25,000, for each additional $1,000 in excess of $25,000.	2,991,120.82	2,708,768.63		282,352.19
Billiard rooms	230,204.33	178,411.26		51,793.07
Brokers, stocks, bonds, etc	208,636.87	156,318.25		52,318.62
Brokers, commercial	113,773.61	75,579.46		38,194.15
Brokers, custom-house	4,379.99	3,407.55		972.44
Brokers, pawn	31,689.23	18,267.55		13,421.68
Bowling alleys	44,155.03	23,946.14		20,208.89
Circuses	15,916.76	9,645.92		6,270.84
Exhibitions not otherwise provided for	40,001.39	52,646.74	$12,645.35	
Theaters, museums, and concert halls	44,784.03	39,670.34		5,113.69
Total	4,054,743.73	3,512,089.93		542,653.80
MISCELLANEOUS.				
Schedule A	12,796,973.15	11,968,386.28		828,586.87
Schedule B	2,194,400.80	1,443,011.31		751,389.49
Excise tax on gross receipts	51,263.33	378,174.94	326,911.61	
Legacies	45,209.35	633,641.69	588,432.34	
Playing cards	65,351.34	103,823.94	38,472.60	
Mixed flour	3,875.87	4,303.53	427.66	
Filled cheese	12.00	1,546.46	1,534.46	
Opium		145.25	145.25	
Penalties, etc	64,825.68	42,461.65		22,364.03
Collections not otherwise herein provided for	2,859.82	142.46		2,717.36
Total	15,224,771.34	14,575,637.51		649,133.83
Aggregate receipts	93,725,177.25	103,103,485.03	9,378,307.78	

ESTIMATED RECEIPTS FOR THE CURRENT FISCAL YEAR.

From the foregoing tabular statement it will be seen that the receipts from internal revenue for the first four months of the current fiscal year aggregated $103,103,485.03, and for the same period of the preceding fiscal year the total receipts were $93,725,177.25, the result being an increase in favor of the current fiscal year of $9,378,307.78.

While it may be possible that this large ratio of increase will be maintained throughout the fiscal year ending June 30, 1900, I am of the opinion that it will not be wise to anticipate such a result.

Therefore, after giving due weight to the above figures and carefully considering the conditions of general prosperity which prevail throughout the commercial interests affected by internal taxation, I am constrained to estimate that the receipts from all sources of internal revenue for the current fiscal year will approximate $285,000,000.

COST OF COLLECTION.

The cost of collection for the past fiscal year, distributed among the different items of appropriation, was approximately as follows:

For salaries and expenses of collectors, including pay of deputy collectors, clerks, etc., and including expenses incident to enforcing the provisions of law taxing oleomargarine	$1,758,010.85 498,518.42	
For salaries and expenses of revenue agents, surveyors of distilleries, gaugers, storekeepers, and miscellaneous expenses		1,899,810.16
For paper for internal-revenue stamps		50,340.87
For expenses of detecting and punishing violations of internal-revenue laws		70,673.03
For salaries of officers, clerks, and employees in the office of Commissioner of Internal Revenue	254,595.37 *a* 59,806.20	
Total amount expended		4,591,754.90

a Act of June 13, 1898.

PERCENTAGE OF COST OF COLLECTION.

The percentage of cost of collection is 1.68 per cent. The expenses for the previous fiscal year were $3,907,010.50, or 2.29 per cent of the collections for that year. The percentage of cost indicated above is the smallest that has been reached in the history of this Bureau in the administration of the internal-revenue laws.

MISCELLANEOUS EXPENSES.

The act of Congress approved August 7, 1882, making provision for sundry civil expenses for the year ended June 30, 1883, required the Commissioner of Internal Revenue to make a detailed statement of all miscellaneous expenditures in the Bureau of Internal Revenue for which appropriation was made in that act. In accordance with this requirement, I submit the following detailed statement of miscellaneous expenses incurred:

Telephoning on public business	$6.65
Telegraphing on public business	1,425.96
Locks for use at distilleries	1,739.56
Hydrometers used in gauging spirits	6,892.05
Weighing beams for use in weighing spirits	1,746.19
Steel canceling dies	46.20
Stationery for internal-revenue officers	618.26
Laboratory supplies, saccharometers and chemicals for testing sweet wine and oleomargarine	525.65
The Federal Reporter for the office of the Commissioner of Internal Revenue	21.00
Traveling expenses of clerks and chemist under special orders of the Department	440.33
Expenses of seizures and sales by collectors	20.76
Total	13,482.61

ESTIMATED EXPENSES FOR NEXT FISCAL YEAR.

I estimate the expenses of the Internal-Revenue Service for the fiscal year ending June 30, 1901, as follows:

For salaries and expenses of collectors, including pay of deputy collectors and surveyors and clerks, and expense of enforcing the act of August 2, 1886, taxing oleomargarine, and the act of August 4, 1886, imposing on the Government the expense of the inspection of tobacco exported, and the act of June 6, 1896, imposing a tax on filled cheese	$1,850,000 *a* 650,000	
For salaries and expenses of 20 revenue agents, for fees and expenses of gaugers, for salaries of storekeepers, and for miscellaneous expenses		1,950,000
For paper for internal-revenue stamps		60,000
For detecting and bringing to trial and punishment persons guilty of violating the internal-revenue laws, including payment for information and detection		100,000
For salaries of officers, clerks, and employees in the office of the Commissioner of Internal Revenue	267,140 *b* 200	
Total		4,877,340

a Act of June 13, 1898, and act of July 7, 1898.
b Extra compensation for clerk detailed as paymaster for office of internal revenue.

SALARIES.

I have the honor to recommend that Congress appropriate for the fiscal year ending June 30, 1901, the sum of $267,340 as salaries for the following officers, clerks, and employees in this Bureau:

One Commissioner, at	$6,000
Two deputy commissioners, at	4,000
One chemist, at	2,500
Two heads of division, at	2,500
Six heads of division, at	2,250
One superintendent of stamp vault, at	2,000
One stenographer, at	1,800
Twenty-four clerks, at	1,800
Twenty-four clerks, at	1,600
Thirty-four clerks, at	1,400
Twenty-four clerks, at	1,200
Twenty-three clerks, at	1,000
Thirty clerks, at	900
Two messengers, at	840
Fourteen assistant messengers, at	720
Thirteen laborers, at	660

An aggregate of 202 persons.

I also recommend the appropriation of the sum of $2,500 as salaries for one stamp agent, at $1,600, and one counter, at $900, the same to be reimbursed by the stamp manufacturers, as provided by the act of August 5, 1882.

SCALE OF SALARIES OF COLLECTORS.

The recommendations made for the salaries of collectors are based upon an estimate of their probable collections according to the following scale, with the qualification that if the actual collections should vary from the amounts estimated, the salaries will be readjusted at the end of the fiscal year:

For collection of—	Salary.	For collection of—	Salary.
$25,000 or less	$2,000	$375,001 to $425,000	$3,375
25,001 to $37,500	2,125	425,001 to 475,000	3,500
37,501 to 50,000	2,250	475,001 to 550,000	3,625
50,001 to 75,000	2,375	550,001 to 625,000	3,750
75,001 to 100,000	2,500	625,001 to 700,000	3,875
100,001 to 125,000	2,625	700,001 to 775,000	4,000
125,001 to 175,000	2,750	775,001 to 850,000	4,125
175,001 to 225,000	2,875	850,001 to 925,000	4,250
225,001 to 275,000	3,000	925,001 to 1,000,000	4,375
275,001 to 325,000	3,125	1,000,001 and upward	4,500
325,001 to 375,000	3,250		

In addition to the salary based upon the above-mentioned scale, the collector shall receive a commission of one-half of 1 per cent on tax-paid spirit stamps, and may receive additional compensation on account of territorial extent, as provided by law, provided the gross compensation does not exceed $4,500. (See secs. 3148 and 3314, Rev. Stat.)

OFFICIAL FORCE.

The force connected with this Bureau during the fiscal year which ended June 30, 1899, in the various districts throughout the United States, as reorganized under the Executive order of May 21, 1887, was 63 collectors, who received per annum salaries as follows:

Number.	Salary.	Number.	Salary.	Number.	Salary.
50	$4,500	3	$3,875	2	$3,500
4	4,375	1	3,625	2	3,000
1	4,250				

There were also employed 955 deputy collectors, who received per annum salaries as follows:

Number.	Salary.	Number.	Salary.	Number.	Salary.
22	$2,000	34	$1,300	9	$500
11	1,900	169	1,200	1	480
33	1,800	127	1,100	1	425
1	1,750	136	1,000	11	400
10	1,700	2	950	4	360
31	1,600	64	900	27	300
2	1,550	4	850	3	250
59	1,500	23	800	2	240
9	1,450	1	750	5	200
119	1,400	5	700	4	120
1	1,350	25	600		

There were also employed in the offices of the different collectors 185 clerks, who received per annum salaries as follows:

Number.	Salary.	Number.	Salary.	Number.	Salary.
1	$1,800	8	$1,150	9	$700
2	1,600	6	1,100	2	650
3	1,500	30	1,000	11	600
9	1,400	34	900	1	500
4	1,300	18	800	1	400
1	1,250	5	750		
38	1,200	2	720		

Also 27 porters, messengers, or janitors, who received per annum salaries as follows:

Number.	Salary.	Number.	Salary.	Number.	Salary.
6	$600	6	$400	1	$200
2	500	5	300	1	120
5	480	1	240		

At the close of the year ended June 30, 1899, 262 officers, clerks, messengers, and laborers were employed in this Bureau, and the aggregate amount paid during the year for their salaries was $314,401.57.

Of the number of persons employed during the year ended June 30, 1899, 63 were employed under the act of June 13, 1898.

RENEWAL OF OFFICIAL BONDS.

I desire to call attention to the useless labor and annoyance imposed upon this Bureau and upon the officers in the field by section 5 of the act of March 2, 1895, requiring the renewal of all official bonds once in four years. The number of internal-revenue officers affected by this provision of law is about 3,000, and the execution of new bonds by them every four years, entails upon this office an amount of work in the examination, approval, double entry for reference, etc., which is utterly useless so far as the interests of the revenues are concerned, and simply imposes unnecessary trouble upon the officers themselves.

Prior to the passage of the act referred to, collectors promptly reported all matters affecting the responsibility of the bonds of subordinate officers, such as death or insolvency of sureties, and new bonds were required wherever necessary. Internal-revenue agents were directed from time to time to examine into the financial condition of sureties on collectors' official and disbursing bonds, and additional security was required wherever the interests of the Government required that action. This method was in force for twenty-five years and was entirely adequate for the purpose.

STOREKEEPERS, GAUGERS, ETC.

There were also employed 396 gaugers, who received fees not to exceed $5 per day, 293 storekeepers, and 1,476 storekeepers and gaugers, whose pay did not exceed $4 per day, and 10 distillery surveyors.

All the foregoing officers are paid only when actually employed.

Storekeepers are assigned to those distilleries only which have a surveyed daily capacity exceeding 100 bushels, and are paid such compensation as may be prescribed by the Commissioner of Internal Revenue, not to exceed $4 per day.

Storekeepers and gaugers are assigned to distilleries having a capacity of 100 bushels or less, which are in operation, and to distilleries of a capacity not exceeding 500 bushels, when under suspension. When the business of bottling spirits in bond is carried on at a distillery of the latter class, if the increase of work so requires, officers performing the separate duty of storekeeper and of gauger are assigned thereto.

Under the act of August 28, 1894, storekeepers and gaugers may now be assigned to perform the separate duties of a storekeeper at any distillery, or at any general or special bonded warehouse, or to perform any of the duties of a gauger, under the internal-revenue laws.

The pay of storekeepers and gaugers assigned to distilleries whose registered daily capacity is 20 bushels or less is fixed by law at $2 per diem. The pay of those assigned to larger distilleries has been graded according to the following scale:

Compensation of storekeepers and gaugers assigned to distilleries in operation having a surveyed daily capacity exceeding 20 bushels, and not exceeding 40 bushels, $3 per day; compensation of those assigned to distilleries having a surveyed daily capacity exceeding 40 bushels, and not exceeding 60 bushels, $3.50 per day; compensation of those assigned to distilleries having a surveyed daily capacity exceeding 60 bushels, $4 per day.

The compensation of officers assigned to distilleries under suspension, having not exceeding 5,000 gallons of spirits in the distillery warehouse, and which it is not practicable to place in the hands of a general storekeeper or storekeeper and gauger, is $2, for such days only as the officer is required to be in attendance to make withdrawals of spirits,

or for other necessary purposes. When the quantity of spirits in warehouse of a suspended distillery exceeds 5,000 gallons, and does not exceed 25,000 gallons, the compensation is $2 per day of constant attendance; when the quantity of spirits in warehouse of a suspended distillery having a daily capacity exceeding 20 bushels exceeds 25,000 and does not exceed 100,000 gallons, $3 per day, and when the quantity exceeds 100,000 gallons, $4 per day.

CONDITION OF THE OFFICE AND THE SERVICE.

The force of officers and employees, both in the office and throughout the country, it pleases me to say are both efficient and faithful.

They have enabled the head of this Bureau to carry into effect all laws and regulations with the least possible embarrassment to the Government and to the taxpayers.

For the earnest and intelligent aid given him the thanks of the Commissioner are extended to all officers and employees, throughout the service.

I deem it my duty to take notice of the last paragraph on page 326 of the report of the United States Civil Service Commission for the year ended June 30, 1898, which is as follows:

On April 24, 1899, Associated Press dispatches from New York, San Francisco, New Orleans, Toledo, and thirteen other large cities in different parts of the country, announced the seizure of some hundreds of thousands of cigars manufactured at Lancaster, Pa., bearing counterfeit revenue stamps. It does not appear that the deputy collectors of internal revenue throughout the various districts to which these cigars were sent discovered that the stamps upon the boxes were counterfeit, but the discovery was made by an old and experienced internal revenue employee in Washington. It will be noted that this issue of counterfeit stamps was made in the district where these changes of deputies occurred in contravention of the civil-service act and regulations.

It is manifestly the intention of the commission to convey to the mind of the public the impression that the Jacobs & Kendig frauds upon the revenues in the tax on cigars by the use of counterfeit stamps, were largely to be attributed to the alleged disregard by Collector Hershey of the civil service rules and regulations, in declining to reappoint the deputies of his predecessor whose commissions expired when he retired from office, and in some instances in reappointing such deputies for a limited time only, in both cases appointing others of his own selection.

In the interest of truth and justice to Collector Hershey it is proper to state that the facts do not warrant the conclusion reached by the Civil Service Commission. The only one of the old and so called classified deputies who remained in the service was the one in charge of the territory where the Jacobs & Kendig factories were located, whose duty it was to investigate said factories each month and see that they were complying with the law and making proper and accurate returns.

It was soon found by the honorable Secretary of the Treasury, from reports received from the Secret Service Division, that this deputy was in the pay of the counterfeiters. Collector Hershey, without knowing this fact, proposed to remove the deputy referred to, and was only prevented from doing so by being called to Washington and advised that the best interests of the service would be advanced by not dismissing him at that time. The deputy is now in jail awaiting his trial.

I desire also to state that the internal revenue force began to suspect that something was wrong at the factories named soon after Collector Hershey entered on duty, and investigated the matter, going so far as to swear out a warrant for the arrest of the accused and arrange for the seizure of the factories, when the honorable Secretary called the

present Commissioner of Internal Revenue, then Deputy Commissioner, to his office, and requested him, in view of the importance of the discovery of the counterfeit of the Monroe note (which far transcended the internal-revenue frauds involved in the counterfeiting of stamps) to call off the internal-revenue force and allow the matter to be handled by the secret service force. This office acquiesced, and sent for Collector Hershey and instructed him, as above stated.

The statement that the discovery of the counterfeit stamps was made by an old and experienced internal-revenue employee at Washington, would seem to be misleading, that discovery having been made by Mr. Wilkie, chief of the Secret Service Division, who does not appear to have been connected at any time with the Internal Revenue Service.

It is also noted that the report of the Commission embodies a misrepresentation, which has heretofore appeared in the public press, in regard to the responsibility of the present Commissioner of Internal Revenue for the classification of deputy collectors of internal revenue under civil-service rules. On page 295 of said report appears the following:

> The classification reported to the Commission bears the signature of G. W. Wilson, Acting Commissioner of Internal Revenue, as well as of the Secretary of the Treasury, and includes deputy collectors in the classified competitive list.

In this matter I beg to quote the following extract from letter from John R. Procter, president of the Civil-Service Commission, dated June 19, 1896:

> The collector of internal revenue at Newark, N. J., has reported to the Commission the resignation of Michael J. O'Donnell from the heretofore unclassified position of deputy collector, on May 11, 1896, and the appointment on May 12, without examination, of Cornelius Healy as his successor. By the revision of the civil-service rules on May 6 the position of deputy collector in the Internal-Revenue Service became classified and subject to examination on that date, and the appointment of Mr. Healy, without examination, was therefore not in conformity with the rules. * * * (Minute 9, June 15.)

The alleged classification of deputy collectors, referred to in the Commission's report as signed by the Acting Commissioner of Internal Revenue, was a tabulated statement, called for by the honorable Secretary of the Treasury in September, 1896, and prepared during the autumn of that year, showing the distribution of deputy collectors by salaries and by districts. The Acting Commissioner's signature thereto merely attested its accuracy as a transcript from the records containing the information desired by the Secretary. This was not in any sense a ministerial act, placing said deputies under the civil-service rules. That action could not have been taken by the head of this Bureau, and in point of fact, as stated by the president of the Civil Service Commission, Mr. Procter, it had previously been effected by order of the President, dated May 6, 1896.

There is much more open to criticism in the seventy-three pages of their report which the commission have seen fit to devote to censuring, at the expense of the United States, the course of their fellow officers of the present administration in this branch of the service. The burden of their complaint is the fact that collectors of internal revenue have not been disciplined, by deduction of pay or otherwise, for noncompliance with rules of the commission, believed by them to be in conflict with their prerogatives under the statutes. In view of the fact that these rules were regarded by the honorable Secretary of the Treasury as of very doubtful legality, (see his letter of September 11, 1897, published on page 348 of the commission's report), the further fact that the statutes referred to have been upheld by the Federal courts in suits brought by individuals for the enforcement of the rules, and particu-

larly in view of the action of the President of May 29, 1899, in which he recognized that the rules were an encroachment on rights conferred upon the collectors by law, the matter would not seem to be of sufficient current interest to the public to justify further expenditure of the public funds for the purpose of discussing it, and I therefore refrain from comment thereon beyond the above brief statement of facts shown by the records of this office, which it is believed proper to recite in the interest of the truth of history as well as in justice to the Internal-Revenue Bureau.

REVENUE AGENTS DIVISION.

During the last fiscal year there were employed 44 revenue agents—1 as chief of agents at this office, 16 in charge of territorial divisions, 6 in examination of the offices and accounts of collectors, and 21 in assisting agents in charge of divisions and on special duty.

EXPENSES OF REVENUE AGENTS.

There have been expended from the appropriation for salaries and expenses of revenue agents during the year the following amounts:

Aggregate salary of agents	$82,318.00
Aggregate amount of traveling expenses	55,404.64
Stationery furnished agents	618.26
Transportation over Pacific railroads	597.67
Total	138,938.57

EXPENDITURES FOR THE DISCOVERY AND PUNISHMENT OF VIOLATORS OF LAW.

In accordance with the provisions of the act making an appropriation for such purposes, the following detailed statement of expenditures for detecting and bringing to trial and punishment persons guilty of violating internal-revenue laws is submitted:

AMOUNT EXPENDED THROUGH REVENUE AGENTS.

Name.	Amount.	Name.	Amount.
Alexander, E. A	$2,654.44	Patterson, A. C	$1,320.00
Bouldin, B. B	60.34	Pitts, W. L	1,632.80
Burgh, H. B	1,254.38	Sewall, F. D	2,592.99
Carson, T. B	1,072.41	Sinsel, J. W	2,614.50
Chapman, W. H	10,754.21	Thomas, B. M	1,848.60
Clark, G. B	1,240.35	Thompson, F. G	2,304.61
Colquitt, W. W	1,705.00	Thrasher, L. A	11,432.44
Gates, D. A	4,337.00	Trowbridge, G. W	1,812.60
Haynes, M. A	5,771.09	Williams, Robt., jr	2,658.97
Ingram, C. H	1,856.50	Yates, W. W	4,283.44
Kincaid, J. C. P	50.00		
McCoy, J. B	1,127.13	Total	69,799.67
McGinnis, J. W	5,415.87		

AMOUNT EXPENDED THROUGH COLLECTORS.

Name.	Amount.
Agnew, Park, Sixth Virginia	$6.13
McClain, Penrose A., First Pennsylvania	9.00
White, Albert B., West Virginia	218.00
Total	233.13
Amount expended for rewards	552.84

Expenditures for the discovery and punishment of violators of law—Continued.

RECAPITULATION.

Amount expended by revenue agents	$69,790.67
Amount expended by collectors	233.13
Amount expended for rewards	552.84
Amount expended for transportation	87.39
Grand total	70,673.03

The accounts for expenditures under this appropriation are rendered monthly, with an itemized statement, and in all cases supported by proper subvouchers duly sworn to. These accounts pass through all the accounting offices of the Treasury Department and are filed in the Register's office.

STAMP DIVISION.

The following statements relate to the manufacture of stamp paper, engraving and printing the stamps, and the receipt, custody, and issue by this office of all internal revenue stamps of the Government during the fiscal year ended June 30, 1899:

STATEMENT OF NUMBER AND VALUE OF INTERNAL-REVENUE STAMPS ISSUED TO COLLECTORS FROM JULY 1, 1898, TO JUNE 30, 1899.

Class of stamps.	Number.	Value.
Spirits:		
Tax paid	1,594,650	$102,146,038.50
Exportation	46,000	4,300.00
Imported	1,500	
Distillery warehouse	1,830,400	
Special warehouse	39,600	
Rewarehousing	8,400	
General bonded warehouse	19,400	
General bonded warehouse, retransfer		
Rectified	1,814,200	
Wholesale liquor dealers	888,300	
Transfer grape brandy	11,800	
Wine:		
Fortified sweet	2,200	
Fortified for export		
Tobacco, tax paid	679,624,532	37,750,803.61
Snuff, tax paid	111,442,348	1,987,588.75
Tobacco and snuff, exportation	62,800	
Cigars:		
Tax paid	140,659,306	18,560,604.28
Exportation	20,000	
Cigarettes	257,617,228	4,273,100.70
Special tax	569,400	11,859,790.00
Fermented liquors:		
Tax-paid	90,232,300	81,835,928.00
Exportation	228,000	
Brewers' permits	47,600	
Oleomargarine:		
Tax-paid	2,179,200	2,006,816.00
Exportation	40,800	
Playing cards	12,689,600	253,792.00
Documentary (old style)	3	1.50
Certificates of registry	4,170	
Filled cheese	43,000	30,570.00
Opium		
Documentary (act June 13, 1898)	891,594,652	46,507,887.60
Proprietary (act June 13, 1898)	747,903,104	6,640,988.57
Proprietary, private die (act June 13, 1898)	4,675,400	54,040.00
Case stamps	146,440	14,644.00
Tin-foil wrappers for tobacco issued to manufacturers	21,144,400	162,881.40
Imprinted documentary on collectors' orders (act June 13, 1898)	245,425,018	4,858,612.63
Mixed flour	743,600	29,744.00
Total	3,213,349,351	318,978,131.54

MANUFACTURE OF STAMP PAPER.

After due advertisement in the public prints and by Department circular for proposals to furnish stamp paper for the fiscal year ending June 30, 1900, four sealed bids were presented, which were opened on the 27th day of April, 1899, in the office of the Commissioner of Internal Revenue, by a committee appointed by the honorable Secretary of the Treasury to open and consider such bids as might be presented. The various bids submitted having been duly considered, the committee recommended an award of contract to the lowest and best bidder whose proposal conformed to the terms of the circular inviting such bids. Accordingly the contract was awarded on the 28th day of April, 1899, to the New York and Pennsylvania Company of New York, at 4.5 cents per pound, including cost of transportation and delivery at the Treasury Department, this being at the same rate as the contract price for the previous year.

PRODUCTION OF STAMPS.

All of the stamps used by this Bureau are engraved and printed by the Bureau of Engraving and Printing, with the exception of stamps for tobacco imprinted on foil wrappers, which are printed and furnished under contract, without cost to the Government, and documentary stamps of the denominations of one and two cents, imprinted on checks, drafts, and other instruments, by twenty-four contractors situated in business centers convenient for public distribution. Said documentary stamps are imprinted under contracts without cost to the Government, the contractors each reimbursing the Government for the salaries of one stamp agent and two counters, amounting to $3,150 per annum, under each contract.

NEW STAMPS PREPARED AND ISSUED SINCE LAST REPORT.

The following named stamps were prepared and issued under recent acts of Congress during the last fiscal year:

Export distilled-spirit stamps (5 gallons) issued under act of February 21, 1899.

One ounce tobacco stamps, with fifteen 1 ounce coupons attached, and documentary stamps of the denominations of $100, $500, and $1,000 each, issued under act of June 13, 1898.

STOCK OF STAMPS IN VAULT.

The stock of stamps in the vaults of this office October 1, 1899, of the various classes and denominations was 396,748,251, and the value of same $100,159,797.96.

STATEMENT OF THE NUMBER OF CERTIFICATES OF RESIDENCE ISSUED TO CHINESE BY ORDER OF COURT DURING THE FISCAL YEAR ENDED JUNE 30, 1899.

California (includes Nevada)	3
Maryland (includes Delaware, District of Columbia, and part of Virginia)	1
Oregon (includes Washington and Alaska Territory)	1
Texas	3
Total	8

TOBACCO DIVISION.

The act of June 13, 1898, increased the tax on manufactured tobacco and snuff one hundred per cent; on large cigars, twenty per cent, and on cigarettes, fifty per cent.

The taxes collected on manufactured tobacco products during the fiscal year ended June 30, 1899, amounted to $51,273,525.52, not including miscellaneous collections.

The collections from each source were as follows:

From manufactured smoking and chewing tobacco	$28,453,989.26
From snuff	1,751,797.44
From cigars weighing more than 3 pounds per thousand	16,307,108.05
From cigars weighing not more than 3 pounds per thousand	547,415.52
From cigarettes weighing not more than 3 pounds per thousand	4,203,753.86
From cigarettes weighing more than 3 pounds per thousand	9,461.39
Total collections	51,273,525.52

This amount includes internal-revenue taxes paid by manufacturers and importers on domestic and imported manufactured tobacco products, but does not include $770,333.53 miscellaneous collections.

The internal-revenue taxes on imported manufactured tobacco, snuff, cigars, and cigarettes are the same as on domestic in addition to the import duties levied upon these articles.

During the fiscal year ended June 30, 1899, there was an increase of collections over the preceding fiscal year, ended June 30, 1898, of $15,052,948.28.

INCREASED RECEIPTS.

The increased collection over the preceding fiscal year from each source of taxation was as follows:

From manufactured tobacco	$10,796,712.81
From snuff	819,928.40
From cigars weighing more than 3 pounds per thousand	2,681,058.34
From cigars weighing not more than 3 pounds per thousand	141,738.64
From cigarettes weighing not more than 3 pounds per thousand	610,742.17
From cigarettes weighing more than 3 pounds per thousand	2,767.92
Total receipts over 1898	15,052,948.28

COMPARATIVE STATEMENT.

The following exhibits show in detail the receipts for the fiscal year ended June 30, 1899, as compared with the receipts for the previous fiscal year:

RECEIPTS FROM TOBACCO AND SNUFF.

Manufactured tobacco	$28,453,989.26
Snuff	1,751,797.44
Total	30,205,786.70
Total for year ended June 30, 1898	18,589,145.49
Increase in collections	11,616,641.21

Of this increase $10,796,712.81 was from manufactured tobacco, and $819,928.40 was from snuff.

RECEIPTS FROM CIGARS AND CIGARETTES.

From large cigars	$16,307,108.05
From small cigars	547,415.52
From cigarettes	4,213,215.25
Total	21,067,738.82
Total for year ended June 30, 1898	17,631,431.75
Increase in collections	3,436,307.07

Of this increase $2,681,058.34 was from large cigars, $141,738.64 was from small cigars, and $613,510.09 was from cigarettes.

The tax on small cigars was not increased, and the receipts from this source show an increase in production and consumption of such cigars.

The receipts from the other sources were prejudiced by reason of the anticipated increase in the rates under the act of June 13, 1898, and while the pending bill may not have stimulated the production it had the effect of forcing on the market a large quantity of tobacco products above the normal before the final passage of the act.

The marketing of this old stock during the fiscal year ended June 30, 1899, had some effect of reducing the receipts below the amount they would have reached had previous trade conditions remained unchanged.

ANNUAL PRODUCTION OF TOBACCO PRODUCTS.

The following tables will show, approximately, the production and consumption of tobacco, snuff, cigars, and cigarettes in the United States during the fiscal year ended June 30, 1899, estimated from receipts from the sale of stamps for such goods as were withdrawn from the factory and those imported and entered for consumption, including imported goods withdrawn from public stores and bonded warehouses for consumption, and these goods, together with the total quantity of tobacco products removed from the factory in bond for export, form the basis for the computations:

TOBACCO AND SNUFF PRODUCED.

		Pounds.
Tobacco withdrawn, tax paid		237,132,709
Snuff withdrawn, tax paid		14,627,105
Total tobacco and snuff taxed		251,759,814
Add tobacco and snuff exported		14,901,938
Total		266,661,752
Deduct tobacco and snuff imported		286,374
Net total domestic production for 1899		266,375,378
Total production 1898	316,895,915	
Less imports	278,854	
		316,617,061
Decrease for 1899		50,241,683

The decrease in quantity of taxed tobacco and snuff withdrawn for consumption was 51,625,963 pounds; the increase in tobacco and snuff exported was 1,391,770 pounds, and the increase in tobacco and snuff imported was 7,520 pounds.

CIGARS.

		Number.
Cigars weighing more than 3 pounds per thousand, domestic and imported, withdrawn tax paid		4,529,872,304
Number of cigars exported		2,072,842
Total, including those taxed and those exported		4,531,945,146
Deduct number imported, average 12 pounds per thousand		32,243,500
Net total domestic production, 1899		4,499,701,646
Taxed in 1898	4,505,260,517	
Exported in 1898	1,094,134	
Total for 1898	4,506,354,651	
Less imports, 1898	25,212,250	
		4,481,142,401
Increase for 1899		18,559,245

NOTE.—Cigars weighing not more than 3 pounds per thousand are included with cigarette statement.

The increase in number of taxed cigars was 24,611,787; the increase in number of cigars exported was 978,708, and the increase in the number imported and withdrawn for consumption was 7,031,250.

CIGARETTES AND SMALL CIGARS.

		Number.
Cigars weighing not more than 3 pounds per thousand, withdrawn tax paid at $1 per thousand		547,415,520
Cigarettes taxed at $1.50 per thousand		2,802,502,573
Cigarettes taxed at $3.60 per thousand		2,628,163
Total taxed		3,352,546,256
Add number exported		1,243,092,810
Total taxed and exported		4,595,639,096
Deduct number imported, estimated average 3 pounds per thousand		5,250,666
Total net production, 1899		4,590,388,430
Taxed in 1898:		
Cigars at $1	405,676,880	
Cigarettes	3,753,697,906	
Total	4,159,374,786	
Exported in 1898	1,033,983,246	
Total tax-paid and exported	5,193,358,032	
Less imports	5,234,000	
		5,188,124,032
Decrease in 1899		597,735,602

The increase in the number of taxed cigars weighing not more than 3 pounds per thousand was 141,738,640, the decrease in the number of cigarettes withdrawn for consumption was 948,567,170, and the increase of cigarettes exported was 209,109,594, and the increase in the number of cigarettes imported was 16,666.

The statistics relating to importations of manufactured tobacco products were obtained from the Bureau of Statistics, Treasury Department. These statistics gave the weight in pounds, and not the actual number of cigars and cigarettes entered for consumption.

In preparing the foregoing tables it was assumed that the imported cigars would weigh 12 pounds per thousand, and that the imported cigarettes would weigh 3 pounds per thousand.

The foregoing table, relating to the production of manufactured tobacco and snuff under the internal revenue laws, does not include 4,506,908 pounds of tobacco made and withdrawn from bonded manufacturing warehouses during the fiscal year ended June 30, 1899. These bonded manufacturing warehouses are operated under the provisions of section 9 of the tariff act of August 28, 1894, and are under the immediate supervision of the Secretary of the Treasury.

ADDITIONAL TAX ASSESSED UNDER SECTION 3, ACT OF JUNE 13, 1898.

The second paragraph of section 3 of the act of June 13, 1898, levied an additional tax of 3 cents per pound upon manufactured tobacco and snuff, 30 cents per thousand on cigars, and 25 cents per thousand on cigarettes, which were manufactured, imported, and removed from factory or custom-house before the passage of the act, bearing stamps affixed and canceled subsequent to April 14, 1898.

This act allowed the dealer, having such taxable goods on hand, an exemption, of 1,000 pounds of tobacco or snuff and 20,000 cigars or cigarettes.

By the provisions of this act the tax was required to be collected, by way of assessment, against the persons having such goods on hand, and they were required to make returns, under oath, in duplicate, as to the quantity of tobacco and snuff and cigars and cigarettes so held and subject to the additional tax.

This office in proceeding to collect the taxes so levied, prepared a form of return which was required to be made by every person who held such taxable articles on hand for sale on June 14, 1898, in excess of the exemption stated.

The following is a statement of the amount of taxes so returned and subsequently assessed by the commissioner, as provided by said act:

ADDITIONAL TAXES ASSESSED.

[Number of dealers making returns, 4,259.]

Kind of articles.	Pounds.	Number.	Rate of tax.	Amount of tax.
Manufactured tobacco	24,383,848		3 cents	$731,515.44
Snuff	1,296,012		3 cents	38,880.36
Cigars		180,800,500	30 cents per M	54,240.15
Cigarettes		221,297,560	25 cents per M	55,324.39
Total tax assessed				879,960.34

Returns made by three hundred and forty-five manufacturers of goods stamped at the old rate removed from the factory after June 13, 1898.

Manufactured tobacco	576,228		6 cents	$34,573.68
Snuff	460		6 cents	27.60
Cigars		7,449,316	60 cents per M	4,469.59
Cigarettes		960	50 cents per M	.48
Total tax assessed				39,071.35

MANUFACTURERS OF TOBACCO.

The number of registered manufacturers of tobacco in the United States during the calendar year 1898, was 3,186. Of this number 135 did not manufacture, but qualified as manufacturers for the purpose of disposing of tobacco on hand, and 60 for the purpose of lawfully dealing in and handling refuse scraps, clippings, cuttings, and waste, the by-products of cigar factories.

During the last year 57 persons in Louisiana who grow and produce the variety of tobacco known as perique qualified as manufacturers to avail themselves of the privilege, authorized by section 3362, Revised Statutes, as amended by act of January 9, 1883, of selling their tobacco, in the form of carrottes and without payment of tax, directly to other qualified manufacturers, to be used by them as material in the manufacture of cigarettes or smoking tobacco.

The sale of perique by the producer to the manufacturer is required by the regulations to be made under special permit issued by the collector.

The production of perique tobacco in 1898 was about 160,000 pounds, principally raised in St. James Parish, La., and owing to the method adopted by planters in preparing and curing this class of tobacco the producers of the same are required to qualify as manufacturers, as it is in fact a manufactured tobacco, prepared and put up in the form of carrottes weighing from 3 to 5 pounds each.

One hundred and five persons who qualified as manufacturers of tobacco confined their operations to the manufacture of snuff from tobacco, and only 8 of these persons manufactured over 100,000 pounds each. Ten large tobacco manufacturers also manufactured snuff, making the total number of snuff manufacturers 115.

About 1,800 manufacturers of cigars also qualified as manufacturers of tobacco for the purpose of preparing their scraps, cuttings and clippings as merchantable smoking tobacco.

Deducting the number of persons, 135, who qualified as manufacturers for the purpose of disposing of tobacco on hand, and 60 for the purpose of dealing in scraps, and the number of perique producers, 57, and the number of cigar manufacturers, 1,800, from the total number of qualified manufacturers of tobacco, it leaves only about 1,134 persons who qualified for the express purpose of manufacturing plug, twist, fine-cut chewing, smoking tobacco, and snuff.

TOBACCO PRODUCTS MANUFACTURED DURING CALENDAR YEAR 1898 (NOT INCLUDING CIGARS AND CIGARETTES.)

	Pounds.
Quantity of plug and twist tobacco produced	160,876,541
Quantity of fine-cut chewing tobacco produced	11,415,231
Quantity of smoking tobacco produced	89,240,526
Total quantity of tobacco produced	261,532,298
Quantity of snuff produced	13,607,631
Total production	275,139,929

NUMBER OF REGISTERED TOBACCO MANUFACTURERS IN THE UNITED STATES DURING THE CALENDAR YEARS 1897 AND 1898.

A.—ARRANGED ACCORDING TO DISTRICTS.

Districts.	1897.	1898.	Districts.	1897.	1898.
Alabama	4	2	New Hampshire (includes Maine and Vermont)	9	8
Arkansas	9	7	First New Jersey	24	21
First California	19	18	Fifth New Jersey	50	43
Fourth California (includes Nevada)	2	1	New Mexico and Arizona	3	3
Colorado (includes Wyoming)	19	23	First New York	43	75
Connecticut (includes Rhode Island)	61	54	Second New York	61	61
Florida	18	14	Third New York	87	92
Georgia	14	11	Fourteenth New York	71	73
First Illinois	282	274	Twenty-first New York	149	143
Fifth Illinois	19	16	Twenty-eighth New York	65	59
Eighth Illinois	91	92	Fourth North Carolina	57	50
Thirteenth Illinois	23	24	Fifth North Carolina	162	151
Sixth Indiana	72	64	First Ohio	115	105
Seventh Indiana	35	34	Tenth Ohio	35	37
Third Iowa	28	36	Eleventh Ohio	19	16
Fourth Iowa	89	75	Eighteenth Ohio	75	79
Kansas (includes Indian Territory and Oklahoma)	57	57	Oregon (includes Alaska and Washington)	31	24
Second Kentucky	26	28	First Pennsylvania	142	138
Fifth Kentucky	56	59	Ninth Pennsylvania	88	78
Sixth Kentucky	20	20	Twelfth Pennsylvania	38	34
Seventh Kentucky	13	19	Twenty-third Pennsylvania	46	45
Eighth Kentucky	15	13	South Carolina	12	8
Louisiana (includes Mississippi)	65	68	Second Tennessee	13	13
Maryland (includes District of Columbia and Delaware)	41	43	Fifth Tennessee	56	50
Third Massachusetts	30	30	Third Texas	16	14
First Michigan	114	95	Fourth Texas	11	6
Fourth Michigan	58	54	Second Virginia	48	48
Minnesota	103	105	Sixth Virginia	102	78
First Missouri	51	52	West Virginia	38	39
Sixth Missouri	37	40	First Wisconsin	59	62
Montana (includes Idaho and Utah)	25	23	Second Wisconsin	38	34
Nebraska (includes North and South Dakota	53	47	Total	3,312	3,186

B.—ARRANGED ACCORDING TO STATES AND TERRITORIES.

States and Territories.	1897.	1898.	States and Territories.	1897.	1898.
Alabama	4	2	Nebraska	44	40
Alaska	0	0	Nevada	0	0
Arkansas	9	7	New Hampshire	2	2
Arizona	2	0	New Jersey	74	64
California	21	19	New Mexico	1	3
Colorado	17	23	New York	476	503
Connecticut	61	54	North Carolina	219	201
Delaware	6	2	North Dakota	1	0
District of Columbia	3	1	Ohio	244	237
Florida	18	14	Oklahoma	2	0
Georgia	14	11	Oregon	20	24
Idaho	3	0	Pennsylvania	314	295
Illinois	415	406	Rhode Island	0	0
Indiana	107	98	South Carolina	12	8
Indian Territory	2	0	South Dakota	8	7
Iowa	117	111	Tennessee	69	63
Kansas	53	57	Texas	27	20
Kentucky	130	139	Utah	4	0
Louisiana	65	68	Vermont	7	6
Maine	0	0	Virginia	150	126
Maryland	32	40	Washington	11	0
Massachusetts	30	31	West Virginia	38	39
Michigan	172	149	Wisconsin	97	96
Minnesota	103	105	Wyoming	2	0
Mississippi	0	0			
Missouri	88	92	Total	3,312	3,186
Montana	18	23			

MANUFACTURERS OF CIGARS.

The number of cigar manufacturers operating in 1898 was 30,856. The following statement shows the number of manufacturers who operated in each district during the calendar years 1897 and 1898:

NUMBER OF REGISTERED CIGAR MANUFACTORIES IN OPERATION IN 1897 AND 1898, ARRANGED ACCORDING TO DISTRICTS.

Districts.	1897.	1898.	Districts.	1897.	1898.
Alabama	58	65	New Hampshire (includes Maine and Vermont)	199	196
Arkansas	41	46	First New Jersey	271	259
First California	524	485	Fifth New Jersey	814	774
Fourth California (includes Nevada)	72	75	New Mexico (includes Arizona)	15	13
Colorado (includes Wyoming)	241	204	First New York	1,743	1,699
Connecticut (includes Rhode Island)	493	480	Second New York	425	466
Florida	606	555	Third New York	2,664	2,479
Georgia	87	85	Fourteenth New York	847	849
First Illinois	2,119	2,108	Twenty-first New York	807	794
Fifth Illinois	142	151	Twenty-eighth New York	808	780
Eighth Illinois	499	502	Fourth North Carolina	32	22
Thirteenth Illinois	206	199	Fifth North Carolina	16	16
Sixth Indiana	663	639	First Ohio	749	775
Seventh Indiana	244	230	Tenth Ohio	430	427
Third Iowa	186	233	Eleventh Ohio	255	294
Fourth Iowa	453	407	Eighteenth Ohio	890	828
Kansas (includes Indian Territory and Oklahoma	343	358	Oregon (includes Alaska and Washington)	173	183
Second Kentucky	35	33	First Pennsylvania	2,055	2,045
Fifth Kentucky	132	145	Ninth Pennsylvania	2,915	2,833
Sixth Kentucky	109	129	Twelfth Pennsylvania	374	400
Seventh Kentucky	30	26	Twenty-third Pennsylvania	880	942
Eighth Kentucky	2	2	South Carolina	9	11
Louisiana (includes Mississippi)	143	174	Second Tennessee	25	24
Maryland (includes Delaware and District of Columbia)	935	899	Fifth Tennessee	46	38
Third Massachusetts	787	722	Third Texas	94	98
First Michigan	915	903	Fourth Texas	62	51
Fourth Michigan	362	330	Second Virginia	111	130
Minnesota	456	567	Sixth Virginia	74	72
First Missouri	686	664	West Virginia	146	148
Sixth Missouri	337	314	First Wisconsin	772	727
Montana (includes Idaho and Utah)	121	105	Second Wisconsin	365	334
Nebraska (includes North and South Dakota)	342	314	Total	31,435	30,856

STATEMENT SHOWING THE PRODUCTION OF MANUFACTURED TOBACCO, SNUFF, CIGARS, AND CIGARETTES DURING THE PAST TEN CALENDAR YEARS.

The following tables are compiled from the reports received from collectors of internal revenue of the transactions of manufacturers in their several districts for each calendar year, a period of time differing from the fiscal year, as required by law, and they relate exclusively to tobacco, snuff, cigars, and cigarettes of domestic manufacture.

PRODUCTION OF MANUFACTURED TOBACCO AND SNUFF.

Year.	Manufactured tobacco.	Snuff.	Year.	Manufactured tobacco.	Snuff.
	Pounds.	*Pounds.*		*Pounds.*	*Pounds.*
1889	237,119,240	9,040,345	1894	257,050,444	11,582,838
1890	243,427,008	9,434,746	1895	263,404,840	10,887,709
1891	259,855,085	10,674,241	1896	248,708,581	12,708,919
1892	264,412,767	11,426,927	1897	283,320,857	13,768,455
1893	238,587,702	11,952,736	1898	261,532,298	13,607,631

STATEMENT OF PRODUCTION OF CIGARS AND CIGARETTES DURING THE PAST TEN CALENDAR YEARS.

Calendar year.	Cigars.	Cigarettes.	Calendar year.	Cigars.	Cigarettes.
1889	3,787,229,453	2,413,349,811	1894	4,163,641,327	[illegible]
1890	4,228,528,258	2,505,167,610	1895	4,099,137,855	[illegible]
1891	4,422,024,212	3,137,318,596	1896	4,048,463,306	[illegible]
1892	4,674,708,260	3,282,001,283	1897	4,431,050,509	[illegible]
1893	4,341,240,981	3,660,755,959	1898	4,915,663,350	[illegible]

STATEMENT OF THE QUANTITY OF LEAF TOBACCO USED BY MANUFACTURERS DURING THE PAST TEN YEARS.

The quantity of leaf tobacco used in the production of tobacco, snuff, cigars, and cigarettes for the past ten years has been as follows:

Year.	Pounds.	Product.	Total.
1889	83,513,962	Cigars and cigarettes	[illegible]
	[illegible]	Tobacco and snuff	
1890	91,746,311	Cigars and cigarettes	311,862,784
	220,116,473	Tobacco and snuff	
1891	85,435,928	Cigars	[illegible]
	[illegible]	Cigarettes	
	237,959,329	Tobacco and snuff	
1892	90,875,830	Cigars	[illegible]
	[illegible]	Cigarettes	
	238,229,567	Tobacco and snuff	
1893	84,428,797	Cigars	[illegible]
	[illegible]	Cigarettes	
	215,981,699	Tobacco and snuff	
1894	77,359,405	Cigars	[illegible]
	[illegible]	Cigarettes	
	227,666,589	Tobacco and snuff	
1895	77,499,875	Cigars	323,656,332
	16,094,338	Cigarettes	
	230,062,119	Tobacco and snuff	
1896	75,938,866	Cigars	[illegible]
	[illegible]	Cigarettes	
	213,345,527	Tobacco and snuff	
1897	77,452,711	Cigars (large)	357,171,033
	1,283,360	Cigars (small)	
	17,477,402	Cigarettes	
	260,957,560	Tobacco and snuff	
1898	83,460,874	Cigars (large)	349,877,737
	1,977,100	Cigars (small)	
	17,081,349	Cigarettes	
	247,358,414	Tobacco and snuff	

NOTE.—The quantity of leaf tobacco reported used in 1898 includes scraps and stems.

REPORT

OF THE

SECRETARY OF THE INTERIOR.

DEPARTMENT OF THE INTERIOR,
Washington, D. C., November 27, 1899.

SIR: I have the honor to respectfully submit a brief review of the operations of the Department of the Interior during the last fiscal year, together with such recommendations and suggestions for the betterment of the service as appear necessary. A more detailed statement as to the business transacted by the several bureaus and offices of this Department will be found in their respective reports hereto attached.

Gratifying progress has been made by the Department in all its branches in the dispatch of public business, and the fact that the work may be regarded as practically up to date is evidence of the ability with which the bureaus and offices have been administered. In the last annual report of my predecessor the origin of the public domain and its distribution were fully discussed and historical statements touching the several branches of the Department were given, and it is therefore not deemed necessary to repeat them in this report.

It affords me great pleasure to thankfully acknowledge the ability and energy with which all the officers of the various divisions and bureaus of this great Department have discharged the duties and obligations for which they are severally responsible.

LANDS.

There were disposed of during the fiscal year ended June 30, 1899, public lands aggregating 9,182,413.16 acres, classified as follows: Cash sales, 629,857.07 acres; miscellaneous entries, embracing homesteads, timber culture, land warrants, scrip, State selections, swamp lands, etc., 8,460,766.01 acres; Indian lands, 91,790.08 acres; showing an increase of 728,516.24 acres as compared with the aggregate disposals during the preceding fiscal year.

The total cash receipts during the year from various sources, including disposal of public land, $2,594,690.49; of Indian lands, $442,913.73; from depredations on public land, $15,049.63; from sales of timber (acts of March 3, 1891, and June 4, 1897), $4,564.39; from sales of Government property, $1,972.45; and from furnishing transcripts of records

and plats, $10,946.65, aggregated $3,070,137.34, an increase over the receipts for the preceding fiscal year of $792,142.16.

The total expense of district land offices for salaries and commissions of registers and receivers, incidental expenses, and expenses of depositing public moneys during the fiscal year ended June 30, 1899, was $661,402.27; an increase, as compared with the fiscal year ended June 30, 1898, of $43,990.50, due to the additional amount of business transacted, and the consequent increase of the salaries and commissions of local land officers and office expenses.

The total area of the public lands may be stated to be approximately 1,082,138,221 acres, of which 929,308,068 acres are undisposed of, and 152,830,153 acres have been reserved for various purposes. The following table, compiled from reports received from the various local land offices, gives, by States, an approximate estimate of the reserved as well as the unappropriated lands in the land States and Territories at the close of the last fiscal year.

State or Territory.	Area unappropriated and unreserved.			Area reserved.	Area appropriated.
	Surveyed.	Unsurveyed.	Total.		
	Acres.	*Acres.*	*Acres.*	*Acres.*	*Acres.*
Alabama	428,883		428,883	93,000	32,136,037
Alaska	(1)	359,492,760	359,492,760	8,610,920	(1)
Arizona	10,887,865	41,337,596	52,225,461	14,871,386	5,695,473
Arkansas	3,833,423		3,833,423	2,560	29,707,697
California	34,762,949	8,162,347	42,925,296	[illegible]	41,020,858
Colorado	35,647,881	4,538,110	40,185,991	[illegible]	20,692,316
Florida	1,532,766	157,662	1,690,428	[illegible]	33,262,953
Idaho	11,670,635	32,325,773	43,996,408	1,742,809	7,554,223
Illinois					35,842,560
Indiana					22,950,400
Indian Territory				[illegible]	
Iowa					[illegible]
Kansas	1,059,664		1,059,664	[illegible]	50,236,291
Louisiana	528,062	[illegible]	593,080	1,474,834	26,987,446
Michigan	473,013		473,013	87,746	36,258,441
Minnesota	3,317,486	[illegible]	5,627,394	5,023,649	40,547,037
Mississippi	285,730		285,730		29,399,390
Missouri	449,029		449,029		43,346,811
Montana	18,535,425	[illegible]	69,073,491	11,511,531	13,008,578
Nebraska	10,221,567		10,221,567	70,522	38,845,191
Nevada	29,168,462	32,158,278	61,326,740	5,983,409	3,026,491
New Mexico	43,558,099	13,492,551	57,050,650	5,952,048	15,426,102
North Dakota	12,091,904	7,836,126	19,928,030	3,493,831	21,488,219
Ohio					26,062,720
Oklahoma	6,290,220	2,480	6,292,700	7,195,307	11,286,393
Oregon	24,145,544	11,182,794	35,328,338	5,500,821	20,448,281
South Dakota	11,076,557	1,030,557	12,107,114	12,908,977	24,190,309
Utah	9,770,066	34,034,441	43,804,507	5,038,971	3,697,962
Washington	5,386,940	6,369,845	11,756,785	12,530,560	18,459,535
Wisconsin	374,243		374,243	365,353	34,535,284
Wyoming	42,709,311	6,068,032	48,777,343	8,113,396	5,542,541
Grand total	318,205,724	611,102,344	929,308,068	152,830,153	727,401,619

[1] The unreserved lands in Alaska are mostly unsurveyed and unappropriated.

PATENTS ISSUED.—Patents were issued during the fiscal year for agricultural lands to the number of 34,407, containing approximately 5,505,120 acres. Of mineral and mill-site patents 1,712 were issued, embracing an area of 47,729.27 acres; and of coal patents 38 were issued, embracing an area of 3,883.10 acres.

RAILROAD AND WAGON-ROAD LAND PATENTS.—During the year there have been certified or patented on account of railroad grants 504,651.23 acres, as against an area patented during the last fiscal year of 1,032,534.84 acres: a decrease of 527,883.61 acres. There were patented under wagon-road grants 60,391.77 acres; no patents during the preceding year of this character were issued.

The report of the Commissioner of the General Land Office shows that material progress has been made in the work preparatory to an adjustment of the land grants to the Northern Pacific and other railroad companies. This report purports to give definite statements with respect to the status of the grant to the Northern Pacific, but the Commissioner's attention being called to many unsettled and litigated questions, in advance of the settlement and adjudication of which no definite statement of the status of the grant is possible, he has submitted a supplemental report, which concludes as follows:

> In conclusion, I have the honor to state that the portion of my report which relates to this subject was written for the purpose of giving information to the Department relative to the character and quantity of the work performed and the results accomplished during the fiscal year, and without any intention of making an authoritative statement as to whether or not the Northern Pacific grant by the act of 1864 could be satisfied.
>
> In view of the large quantity of unsurveyed lands within the limits of the grant, and of the uncertainty of their availability for use in the satisfaction of it; of the litigation pending involving lands within the conflicting limits aforesaid and the true eastern terminus of the grant, and considering the proceedings now in progress under the act of July 1, 1898, and the right of selection for lands within the Mount Rainier Forest Reserve under the act of March 2, 1899, and the prospect of the creation of other forest reserves within the limits of the grant, I am of opinion that it can not at this time be stated with any degree of certainty that there are or are not sufficient lands available to satisfy the Northern Pacific grant under the act of 1864.

SWAMP-LAND PATENTS.—There were patented as swamp land in place 149,655.21 acres, and as swamp land indemnity lands 885.92 acres, a total of 150,541.13 acres, an increase of 69,428.17 acres over the amount patented during the preceding fiscal year.

School lands were selected and certified during the year to the amount of 420,760.15 acres, a decrease of 38,362.51 acres from the amount patented during the preceding fiscal year.

INDIAN AND MISCELLANEOUS PATENTS.—Patents of this class were issued during the year to the extent of 212,848.73 acres, an increase over the preceding fiscal year of 36,276.82 acres.

Forty patents have been issued for private land claims in various States, which have been confirmed by acts of Congress, aggregating an

area of 119,855.39 acres, and 718 patents have been issued in favor of Indian allottees, with an area of 37,480.89 acres.

STATE DESERT-LAND SEGREGATIONS.—The act of August 18, 1894, as amended by the act of June 11, 1896, provides for the donation to each of the States containing desert lands of not more than 1,000,000 acres of such lands. Under these acts three lists, aggregating 50,290.92 acres, have been approved to the State of Montana, and one list, containing 160 acres, was approved to the State of Wyoming.

One thousand seven hundred and twelve mineral and mill site patents were issued during the year, a number exceeded only in 1883, 1891, and 1892, and the number of mining claims patented, 3,853, is greater than in any year except 1892.

One thousand four hundred and six mineral entries were made during the fiscal year, a decrease of 219 from the preceding year.

ENTRIES IN ALASKA.—One town-site entry and fifteen nonmineral entries have been made in Alaska under the provisions of sections 11 to 14, act of March 3, 1891 (26 Stat. L., 1095). The town-site entry (Juneau) and two nonmineral entries have been patented, while others have been suspended for various reasons, such as illegal surveys, alleged mineral character of the land involved, insufficiency of the proof submitted, etc.

The law in relation to nonmineral entries in Alaska has been modified by the provisions of section 10, act of May 14, 1898 (30 Stat. L., 409).

There are no reliable data at hand from which to estimate the amount of gold taken from the Yukon country in Alaska. No mining claims have been received from that region, but now that United States land offices have been opened at Circle City and Peavy it is expected that during the coming year the miners will, to some extent at least, prove up and acquire title to their claims.

RIGHT OF WAY FOR IRRIGATION AND OTHER PURPOSES.—Under the provisions of the act of March 3, 1891 (26 Stat. L., 1095), as amended by the act of May 11, 1898 (30 Stat. L., 404), granting right of way over the public lands and reservations of the United States for canals, ditches, and reservoirs, right of way has been approved to 206 companies, individuals, and associations of individuals, of which 33 received their first approvals during the past year.

There have been received during the year 194 maps. Forty-five have been approved, 3 have been filed not requiring approval, 4 are now pending before the Department, and 107 have been otherwise disposed of, a few of which were rejected, the rest being returned for correction.

Sections 2339 and 2340 of the Revised Statutes, the act of March 3, 1891 (26 Stat. L., 1095, secs. 18–21), the act of January 21, 1895 (28 Stat. L., 635), the act of May 14, 1896 (29 Stat. L., 120), and the act of May 11, 1898 (30 Stat. L., 404), relating to rights of way for ditches, canals, and reservoirs over the public lands and reservations of the

United States, are so confused and so fragmentary in their nature that the Department is greatly embarrassed in their administration. For instance, the act of March 3, 1891 (25 Stat. L., 1095), grants rights of way for ditches, canals, and reservoirs used for purposes of irrigation, and the act of May 11, 1898 (30 Stat. L., 404), in its second section, authorizes the use of these rights of way for other specified purposes. The later act, however, instead of granting rights of way for these newly specified purposes, merely enlarges and extends the uses to which rights of way granted for the purposes of irrigation may be applied. Thus a right of way can not be obtained where it is intended to use the water exclusively as a means of creating power to run an electric or manufacturing plant or in hydraulic or placer mining, although when a right of way is once obtained for irrigation purposes it may also be used for these other purposes in a subsidiary way.

The several acts relating to this subject should be brought together and harmonized in a new act, the terms of which should be broad and comprehensive enough to afford the widest possible use, for all beneficial purposes, of the waters on the public lands and reservations of the United States, so long as the same is consistent with the preservation of the public interests and the attainment of the purposes for which the various reservations are established.

PUBLIC SURVEYS.

By the act of Congress approved July 1, 1898 (30 Stat. L., 619), making appropriation for sundry civil expenses of the Government for the fiscal year ended June 30, 1899, and for other purposes, there was appropriated "for surveys and resurveys of public lands the sum of $325,000, of which amount the Commissioner of the General Land Office was authorized to spend so much as he might deem necessary for examinations in the field," etc.

Deducting the sum of $75,000, set aside to cover the cost of examinations, and the sum of $10,000, reserved for emergencies, there remained available for apportionment among the several surveying districts the sum of $240,000. The apportionment made to the several districts was as follows:

Arizona	$10,000	Oregon	$20,000
California	10,000	South Dakota	2,000
Colorado	6,000	Utah	20,000
Idaho	32,000	Washington	40,000
Minnesota	5,000	Wyoming	20,000
Montana	40,000	Examinations	75,000
Nevada	5,000	Reserve	10,000
New Mexico	10,000	Total	325,000
North Dakota	20,000		

Surveys were accepted during the fiscal year, after examination in the field, careful comparison of the surveying returns, and inspection

of the plats and field notes, covering 9,842,415 acres, distributed as follows:

	Acres.		Acres.
Arizona	102,688	North Dakota	2,259,095
California	8,387	Oregon	382,175
Colorado	145,213	South Dakota	1,720,404
Idaho	788,503	Utah	621,174
Minnesota	99,021	Washington	637,636
Montana	1,893,662	Wyoming	697,449
Nebraska	8,057	Total	9,842,415
Nevada	136,545		
New Mexico	342,406		

THE BENSON SURVEYS.—These surveys were alleged to have been executed many years ago in California, and payment for the same having been withheld because of gross frauds discovered by repeated field examinations, it was decided to allow the deputies an opportunity to revise and correct the work before a final rejection was ordered. An agreement to this effect allowed them until December 1, 1898, to file returns of the corrected work of all the townships in the several contracts. At the date of the annual report of my predecessor this limit of time had not been reached, and it was hoped that these deputies would have completed their work before the stated time had elapsed. They, however, failed to carry out the terms of the agreement, and by direction of the Department the entire series were declared forfeited and rejected without appeal. Steps are now being taken to have the surveys executed by competent surveyors under new contracts whenever the surveys are demanded by settlers.

IRRIGATION.—The Sixteenth Annual Report of the United States Geological Survey, part 2, p. 494, gives a general estimate of the water supply, and consequently of the irrigable area of the arid region. The total thus shown is estimated at 74,000,000 acres, distributed among the States and Territories as follows:

State or Territory.	Acres.	State or Territory.	Acres.
Arizona	2,000,000	Oklahoma	500,000
California	17,000,000	Oregon	3,000,000
Colorado	8,000,000	South Dakota	1,500,000
Idaho	5,000,000	Utah	4,000,000
Montana	11,000,000	Washington	3,000,000
Nebraska	2,000,000	Wyoming	9,000,000
Nevada	2,000,000	Total	74,000,000
New Mexico	4,000,000		
North Dakota	2,000,000		

That this vast acreage, capable of sustaining and comfortably supporting under a proper system of irrigation a population of at least 50,000,000 people, should remain practically a desert is not in harmony with the progressive spirit of the age or in keeping with the possibilities of the future.

What can be accomplished depends upon the varying conditions in each of the localities named, and what should be attempted also depends upon the returns to be expected. In other words, the fundamental question is whether it would pay to store and control the storm and flood waters, which, by proper irrigation, may add increased wealth and provide happy homes for willing workers.

The average cost per acre of a properly constructed irrigation system necessarily varies and depends upon local conditions. The remarkable results, however, accomplished in the valley of the Nile in practically redeeming Egypt from a state of bankruptcy, should encourage a most liberal consideration of the question of irrigation. It is desirable that such reasonable expenditures be made by the Federal Government, as well as by the States, as will gradually, but as rapidly as possible, insure the blessings consequent upon a well-defined and executed system of irrigation.

Under a joint resolution of March 20, 1888, directing the Secretary of the Interior to make an examination of that portion of the arid region of the United States where agriculture is carried on by means of irrigation, as to the natural advantages for the storage of water for irrigating purposes, with the practicability of constructing reservoirs, together with the capacity of the streams and the cost of construction and capacity of reservoirs, and such other facts as bear on the question of storage of water for irrigating purposes, a number of reservoir sites were selected and approved by the Department.

These sites were intended to be used in connection with a general plan of execution under the control and supervision of the United States. No appropriation has as yet been made by Congress for the inauguration of such a system, but provision has been made for gauging of the streams and determining the water supply of the United States, including the investigation of underground currents and artesian wells in the arid and semiarid regions; and the results of such investigation, which has been conducted under the supervision of the Director of the Geological Survey, have been brought to the attention of Congress through the medium of reports, in which the best methods of utilizing the water resources of the arid and semiarid sections are set forth.

At the present time the question of irrigation is receiving special attention from a practical standpoint, in the office of Indian Affairs, in the providing of irrigation ditches and systems for irrigating the lands of many of the Indian reservations. The force, however, and the means at the command of the Department is wholly inadequate for the work to be accomplished, and the allowance by Congress of increased appropriations in furtherance of a wise solution of this great question is desirable.

RESERVOIRS FOR WATERING LIVE STOCK.—The act of January 13, 1897 (29 Stat. L., 484), provides for the location, construction, and main-

tenance by individuals and companies engaged in different branches of the live stock industry of reservoirs upon unoccupied public lands.

A large number of declaratory statements or filings for such reservoir locations were received under this act at the various local land offices, but it soon became evident that most of these filings were of a speculative character, made for the purpose of obtaining control of large bodies of land, and without any intention of constructing reservoirs. Accordingly, on June 23, 1899, amendatory regulations were issued by the Department which go as far toward correcting these abuses as could be gone considering the terms of the act.

There were pending at the beginning of the year 301 of these reservoir declaratory statements; there were received during the year 2,262; 329 were acted upon, most of them being rejected, leaving 2,234 pending June 30, 1899. In addition, it is reported by the local land officers and inspectors that more than 7,000 such declaratory statements have been filed which have not yet been received by the General Land Office.

In some instances the provisions of this act were abused to the extent that practically all of the lands in several adjoining townships were filed upon by or on behalf of the same person or company. It will be necessary to have legislation materially restricting the terms of the present act, or its abuses will make its repeal necessary.

PROTECTION OF PUBLIC LANDS.—Nine hundred and forty four cases were referred to special agents for investigation. Hearings were ordered in 162 cases, 1,451 cases were held for cancellation, 1,305 canceled, and 708 examined and passed. Final action was taken in 2,130 cases. There were pending at the close of the year 2,499 cases.

DEPREDATIONS UPON PUBLIC TIMBER.—Four hundred and forty-four cases of depredations have been reported during the year, involving public timber and products therefrom to the value of $743,630, recoverable to the Government.

The amount involved in propositions of settlement accepted by the General Land Office, sales of timber and lumber, and compromises effected under section 3469, Revised Statutes, is $149,996.26. In addition, the amount involved in fines imposed and judgments rendered is $64,178.72, making the total receipts from investigating timber depredations upon public lands $214,174.98.

June 30, 1899, there were pending in the United States courts 125 civil suits for the recovery of $1,283,213.16, the value of timber alleged to have been unlawfully cut from public lands, and 338 criminal prosecutions for the act of cutting or removing timber in violation of law.

COMPULSORY ATTENDANCE OF WITNESSES.—The recommendations made by the General Land Office in previous years for needed legislation compelling the attendance of witnesses at hearings ordered on special agents' reports before the local land officers are renewed, and I earnestly invite attention to the urgent need existing for such legislation.

FRAUDULENT DECLARATORY STATEMENTS FOR COAL LANDS.—I also concur in the recommendation of the Commissioner of the General Land Office that Congress be requested to pass a law amending section 2350, Revised Statutes, with a view to preventing the glaring abuses of the present law authorizing the appropriation of coal lands.

CHIPPEWA CEDED LANDS IN MINNESOTA.

The act of January 14, 1889 (25 Stat. L., 642), made provisions for obtaining the cession of the greater part of the reservations occupied by the Chippewa Indians in the State of Minnesota, for the examination of ceded lands, for the purpose of classifying them as either "pine" or "agricultural" lands, and for the disposition of these two classes of lands, etc.

The reservations coming within the provisions of the act were 12 in number. The aggregate area of the land therein subject to disposal was 2,984,297.98 acres, valued at $5,273,010.72, of which on the 30th of September, 1898, as appears from the annual report of my predecessor, 407,179.49 acres, valued at $944,044.22, had been sold, leaving 2,577,118.49 to be disposed of in the manner prescribed by law. The moneys received from time to time from the sales of such lands have been deposited in the Treasury to the credit of the Chippewa Indians, and the money received from future disposals of the balance of said lands will in like manner be deposited to the credit of the Indians, out of which, when the funds in the Treasury from that source reach the sum of $3,000,000, the United States is, under the act of January 14, 1889, to be reimbursed for all moneys advanced to the Indians.

The examination of the lands required by the act, which was commenced in April of 1898 in the Leech Lake, Cass Lake, Winnibigoshish, Mississippi Chippewa, and White Oak Point reservations, was continued, and in February of 1899 the reexamination of four townships in the White Earth Reservation was authorized, and as a result of this work a sale of lands in May of 1899 was under consideration. Complaints, however, having been made from time to time regarding the cutting of green timber in the logging operations on the Chippewa Indian lands, and as many protests against the further sales of the Chippewa lands as not being in the interests of Indians were received as there had been statements filed in favor of the continuance of logging and such sales, I deemed it advisable to stop all further work on these reservations.

Accordingly, on the 30th of March, 1899, I directed the Commissioner of the General Land Office to suspend until further notice all estimating, appraising, examining, and cutting of timber, and the sale of the same, as well as the letting of further logging contracts on the Chippewa Indian lands in the State of Minnesota, and the sale of the lands in said reservation; to notify all persons employed in connection with the estimating, appraising, examining, and cutting of timber on the

Chippewa lands that they were furloughed without pay until further notice, and to take no further steps looking to the publication of advertisements for the sale of lands in the Chippewa reservations, which were contemplated to be made on the 10th and 15th of May, 1899, respectively. This order was modified on March 31, 1899, so as not to interfere with the completion of the then existing logging contracts. Thereafter, on April 5 and 6, 1899, the work of examining the timber was stopped and the examiners left the field.

The act of March 1, 1899, making appropriations for the Indian service during the fiscal year 1900, provides, among other things, that:

> The Secretary of the Interior is hereby authorized and directed to cause an investigation by an Indian inspector and a special Indian agent of the alleged cutting of green timber under contracts for cutting "dead and down" on the Chippewa ceded and diminished reservations in the State of Minnesota, and also whether the present plan of estimating and examining timber on said lands and sale thereof is the best that can be devised for protection of the interests of said Indians; and also in his discretion to suspend the further estimating, appraising, examining, and cutting of timber, and the sale of the same, and also suspend the sale of the lands in said reservation.

The investigation conducted by the officers designated for the purpose under the statute disclosed the fact that the system in vogue of estimating and examining timber on the Indian lands was defective, and not in the interest of the Indians; that gross frauds had been perpetrated under the contracts for cutting dead and down timber, and that the contractors had been compelled to pay by way of compromise for timber unlawfully cut by them under cover of their contracts the sum of $55,748.47. This money was turned over to the Indian agent to be deposited in the Treasury for the benefit of the Chippewa Indians generally. The results of this investigation demonstrated the wisdom of the course pursued by the Department in stopping further work on this reservation, as being in the interest of the Indians.

During the course of this investigation it was disclosed that certain persons, in anticipation of a sale of the lands in May, entered thereon and constructed buildings. The agent in charge of the Leech Lake Agency reported that it was indispensable to the proper organization and the conduct of the agency under his control that these trespassers should be removed. Notice was accordingly given them to remove from the reservation within a designated time, but before the expiration of such period numerous petitions from the settlers and from prominent people throughout the State were received protesting against the proposed action and setting forth the hardships that would result from an enforcement thereof.

After due consideration of all the facts presented it was concluded that some relief might be afforded by offering for sale the north half of section 15 as pine lands, and public notice was given that such sale would take place on the 1st day of November, 1899; that no settlement nor rights whatever could be obtained upon any of the lands

included in the act of January 14, 1889, except as to the lands formerly embraced within the Red Lake Reservation that had been offered for sale, and warned all persons not to go upon said lands for any purpose whatever; and that all persons found upon said lands would be dealt with as intruders and trespassers.

As advertised, the lands embraced in the north half of section 15, known as the Cass Lake town site, and embracing an area of 251¼ acres, were sold, the cash receipts therefrom being $17,994, or more than $16,309.62 in excess of the assessed valuation of $1,684.38.

The logging operations on the reservation, authorized by the act of June 7, 1897 (30 Stat., 90), were resumed in August, 1898, and continued up to the time covered by the orders of March 30 and 31, 1899, respectively, stopping further operations. During that period contracts to cut and bank timber to the amount of 18,010,000 feet, at prices ranging from $4.50 to $8.50 per thousand feet, entered into between Indian loggers and certain contractors, were approved. Under these contracts 18,574,450 feet of dead and down timber was cut, for which the sum of $108,363.24 was paid, and green timber for boom sticks and roadways was cut to the amount of 592,470 feet, for which the sum of $3,521.16 was paid, making an aggregate of $111,884.40. It is estimated that the unsettled contracts, covering about 40,000,000 feet, will yield over $250,000 in addition to the amount already received, realizing for the Chippewa Indian fund from this source a gross amount of about $100,000.

THE PUBLIC FORESTS.

FOREST RESERVATIONS.—On June 30, 1898, there were thirty forest reservations (exclusive of the Afognak Forest and Fish Culture Reserve in Alaska), embracing an estimated area of 40,719,474 acres. During the past year two of the existing forest reserves have been considerably enlarged, the area of one has been somewhat reduced, and six additional reserves have been established, making at the present time a total of thirty-six forest reservations, embracing an estimated area of 46,021,889 acres. This estimated area is the aggregate areas within the boundaries of the reserves. The lands actually reserved are, however, only the vacant public lands therein, and these have been set aside and reserved from sale or settlement in order that they may be of the greatest use to the people. Large quantities of the lands are covered with heavy forests, which may profitably be cut or culled under proper restrictions, and some are covered with young, growing forests, which should be guarded from fires and depredations with a view to the future production of a timber supply.

Besides thus creating a reservation of timber for future use against the rapid consumption of timber outside of these reservations, the forests within the reserves have a controlling effect upon the streams which furnish water for irrigation, and thus are great factors in the prosperity of some of the States and Territories. The area of land irri-

gable from the streams which flow from these forest reserves has been estimated in round numbers to be 5,000,000 acres. This, under a high state of cultivation and with the best conservation of water supply, might sustain a population of a million.

The organization of superintendents, supervisors, and rangers for the protection of the forests under the appropriation for the last fiscal year began early in July, but was not fully completed and the force not on duty until August, owing to the delay incident to the securing of suitable men. The force of supervisors and rangers was made a flexible one to conform to the necessities in each case, experience having shown that the largest number of rangers should be employed from July 15 to October 15.

The maximum force during the calendar year 1898 was: Superintendents, 11; supervisors, 31; and rangers, 215. This force was gradually decreased until January 1, 1899, there were but 10 superintendents, 17 supervisors, and 50 rangers.

On June 1, 1899, there were 9 superintendents, 35 supervisors, and 157 rangers. At the beginning of the new fiscal year, July 1, 1899, there are in the field, well equipped, and under full instructions, the result of the investigations, reports, and experiences of the summer of 1898, 9 superintendents, 37 supervisors, and 259 rangers, many of whom are still in service at this time.

General reports from the forest officers in charge of the reservations show that a reasonably effective patrol thereof has been maintained, and that numerous small camp and other fires found burning were extinguished by the rangers without great damage, many of which would in all probability have otherwise spread into great forest fires, such as have devastated the timber region in the past.

FOREST FIRES.—In addition to the numerous small fires above mentioned, there have been specifically reported by reserves 981 fires of all classes which were discovered and extinguished, the area burned over being 131,615 acres, and the total extra expense, $11,887.75.

The efficiency of the forest force in protecting the reserves from destruction by fires has been demonstrated, when it is considered that of these 981 fires but nine developed into large and important conflagrations, and the greater portion of the extra labor and expense was on account of three fires, two of which occurred in the San Gabriel Forest Reserve in California.

These three fires are the only ones reported as having got beyond the temporary control of the forest force.

SHEEP GRAZING.—After a careful consideration of the matter, I deemed it expedient to keep sheep grazing within the forest reserves at a minimum, and consequently authorized grazing to only a limited extent in certain of the reserves where it seemed of unusual importance to the community and did not seriously interfere with the objects of forest reservation.

Portions of the land in the reserves are doubtless adapted to grazing or agricultural purposes, and so long as this is so the owners of stock will consider it a hardship to be excluded from the use of such lands and will continue to demand that they be allowed to enter the reserves with their cattle and sheep. When surveys of the reserves have been completed, and the lands more valuable for agriculture than for forest purposes have been segregated, the question of the exclusion of sheep from the reserves can be determined.

Meanwhile the exclusion of both sheep and cattle from these forest reservations has been strongly urged upon the Department, and evidence has been presented citing instances where privileges of grazing, heretofore accorded, have been seriously abused, and to such an extent as to warrant revocation.

SALES OF TIMBER WITHIN FOREST RESERVES.—Forty-eight petitions for sale of forest-reservation timber have been received, involving 127,793,313 feet of timber, board measure, and 29,905 cords of wood.

Six sales have been effected, the proceeds of which amount to $7,534.83. The remainder of the cases are either under examination by the forest officers for appraisement or undergoing advertisement leading to sale, as required by law.

Few sales of forest-reserve timber have been thus far effected, owing largely to the statutory requirements of sixty days' publication of notice of sale.

To remedy this defect the act of June 4, 1897, should be so amended as to make the number of days of publication of notices of proposed sales discretionary with the Secretary of the Interior.

SURVEYS IN FOREST RESERVES.—In accordance with the act of June 4, 1897 (30 Stat. L., 34), subdivisional surveys within and adjoining forest reserves were made under the direction of the United States Geological Survey, and on June 14, 1899, duplicate transcripts of field notes and photolithographic copies of four townships adjacent to the Lewis and Clark Forest Reserve in Montana, and twelve townships within the Black Hills Forest Reserve, in South Dakota, were transmitted by the Geological Survey to the General Land Office and approved by the Commissioner.

The law authorizing surveys within forest reserves was so changed by the act of March 3, 1899 (30 Stat. L., 1097), as to require township and subdivisional surveys to be executed hereafter by the General Land Office. Fifty thousand dollars is submitted by the Commissioner as an estimate for the survey of lands within forest reserves.

NEEDED APPROPRIATION FOR FOREST RESERVATIONS.—On July 1, 1898, there were 40,719,474 acres in the reserves and an appropriation of $175,000, amounting to about $4,375 per million acres.

On July 1, 1899, there were 46,021,899 acres, which, at the same rate of appropriation per million acres, would increase the appropriation to nearly $200,000; yet the appropriation was again only $175,000.

There are at the present time nearly fifty proposed new reserves or additions to those already established under consideration, and doubtless a considerable number of additional reserves will result from the examinations being made. It is apparent that an appropriation for the coming year ending June 30, 1901, of $250,000 will be relatively smaller than the appropriation of $175,000 for the last year.

The very conservative estimate of $300,000 for the forest service during the coming year I deem barely adequate to properly accomplish the work of outside examination in addition to meeting all the exigencies of the service in connection with the administration and management of the reserves. The experience of the present year demonstrates that the withdrawal of many of the forest rangers in October was a mistake. Efficient work in forest administration requires extreme mobility in all grades of the forest service and the constant presence in the field, both winter and summer, of the higher officers as well as of those whose duty is merely protective in character.

TIMBER ON UNRESERVED LANDS.—Extensive forested areas of the public lands are without needed protection and are still subject to ravages by fire and to inroads upon their resources by lumbering operations. Many of these forested tracts will no doubt be eventually withdrawn from entry or other disposal and set apart for forest uses as soon as the necessary examinations of the lands can be made. The only protection that can be extended is such as is afforded by a few special agents of the General Land Office, who, in connection with their other duties, are detailed for protective work. In the meantime, until the withdrawal of these forested lands can be effected, it is important that the force of special agents of the General Land Office be largely increased. The appropriation of $110,000 for this branch of the service during the past year admitted of the placing of a force in the field which is equivalent to about thirty-seven agents actively employed the entire year. The inadequacy of such a force to cope with the numerous duties assigned to them, when it is considered that the unreserved lands are scattered throughout a number of States and Territories, is obvious.

I concur in the recommendation of the Commissioner that largely increased appropriations by Congress for this branch of the service will be necessary to effectively protect the timber on these lands.

LIEU SELECTIONS IN PLACE OF PRIVATE LANDS IN FOREST RESERVES.—There were received during the year 550 applications under the act of June 4, 1897 (30 Stat. L., 36), for selections of lands in lieu of tracts covered by unperfected bona fide claims or by patents, which are included within the limits of forest reserves, and 60 of such applications were on hand July 1, 1898, making a total of 610 applications; these selections aggregate 71,897.13 acres. Of the total number of applications indicated, 161 were approved and 6 rejected, leaving, awaiting final disposition at the end of the year, 443.

Experience in the administration of this law has evidenced the fact that some modifications thereof are necessary, by which the extensive selections of public lands under this said act, especially of unsurveyed timber lands, may be prevented. As an instance of the condition of affairs, and to illustrate the abuses under the existing law, the Commissioner calls attention to the fact that owners of large quantities of land within the forest reserves which have been greatly reduced in value by the cutting of the timber therefrom, are selecting in lieu thereof valuable unsurveyed timber land, and, under the law, the land department is compelled to allow such selections, there being no reservation in the statute of authority on the part of the officers of the land department whereby they can insist that the lands relinquished and those selected shall be of reasonable equality in value and character.

The act of June 4, 1897, is limited to such reservations as have been, or may be, established "by the President of the United States under the provisions of the act approved March 3, 1891." Forest reservations have also been established under the acts of September 25, 1890 (26 Stat. L., 478), and October 1, 1890 (26 Stat. L., 650), and it is believed that the lieu land provision in the act under consideration ought to be equally applicable to them.

At an early day I will submit to Congress such form of amendment to the act of June 4, 1897, as in my judgment is necessary to remedy the defects in the act as above indicated.

DES MOINES RIVER LAND CLAIMS.—Congress, by act approved August 8, 1846, granted "certain lands to the Territory of Iowa to aid in the improvement of the navigation of the Des Moines River in said Territory." Much of that land had been settled upon under the homestead, preemption, and other public land laws, and Congress, by joint resolution approved March 2, 1861, endeavored to quiet title to said lands. The sundry civil act of August 18, 1894 (28 Stat. L., 372, 396, 397), appropriated $200,000 to be expended by the Secretary of the Interior in the adjustment of the claims of settlers on the so-called Des Moines River lands in the State of Iowa, and also authorized the appointment of a special commissioner to investigate, hear, and determine the claims of all settlers, their heirs, or assigns.

A special commissioner, appointed in pursuance of such authority to investigate the claims of said settlers, made report thereon on the 1st of May, 1896, which report is embodied in Senate Doc. No. 258, Fifty-fourth Congress, first session. It shows that the amount of awards made by the commissioner to settlers and claimants on said Des Moines River lands aggregated $183,854.07. All of said claims except one have been finally paid, after three years of effort, to the parties entitled thereto, the beneficiaries having been scattered through nine States and Territories. The beneficiary of the remaining claim of $133.33 is a native and resident of Sweden, whose address is unknown, and which, after diligent effort, it has been impossible to ascertain.

OFFICE OF THE ASSISTANT ATTORNEY-GENERAL.

The force in this office is occupied in great measure with the consideration of matters arising under the public-land laws of the United States, and in lesser measure is engaged in the disposition of matters arising in the Indian, Pension, Patent, and other bureaus of the Department.

During the period covered by this report decisions were prepared for the Secretary's signature in 1,299 cases brought before the Department on appeal from the General Land Office, as against 1,096 cases for the eleven months covered by the preceding report. There are now pending upon appeal and awaiting action 876 such cases, as against 1,303 cases pending October 1, 1898, and 1,569 cases pending October 1, 1897.

Motions for review are usually presented in about one-third of the cases decided. The number of such motions on which decisions were prepared for the Secretary's signature during the last year is 435, as against 355 during the preceding eleven months.

Besides the matters coming before the Department on appeal and motion for review, there is a large amount of business of a miscellaneous character pertaining to lands in Alaska, surveys, the adjustment of railroad grants, etc. During the past year decisions, regulations, and orders have been prepared for the Secretary's signature in 333 matters of this description, as against 192 during the eleven months preceding.

During the past year 59 Assistant Attorney-Generals' opinions in special matters have been rendered upon requests of the Secretary and Assistant Secretaries, as against 53 during the period named in the last report.

During the year ended June 30, 1899, there were published two volumes (XXVII and XXVIII) of 749 and 634 pages, respectively, containing such of the departmental decisions relating to public lands, rendered during that period, as involved leading and important principles of law or practice.

INDIAN AFFAIRS.

Considerable progress has been made by the Indians generally toward civilization; no uprising or outbreak has occurred during the year. The Indian schools have been well managed and productive of good results, particular attention having been given to the industrial instruction of the Indians, so as to fit them for establishing homes for themselves by taking up allotments and properly working the same.

Excluding 5,320 Indians in New York and 62,500 Indians embraced in the Five Civilized Tribes, the Indians number approximately 181,586, as against 180,132 reported for the previous year.

Two thousand two hundred and eighty-three allotments in severalty were made, embracing approximately 273,960 acres. The total allotments made since the passage of the act of February 8, 1887, number approximately 57,750, with an acreage of 6,982,588.

The Five Civilized Tribes, numbering 62,500, with 18,500 freedmen, and a white population of 200,000, inhabit the Indian Territory. No allotments have yet been made to members of the Five Tribes.

During the year there were employed 1,600 Indians in the agency service proper as police, herders, teamsters, harness makers, clerks, shoemakers, butchers, blacksmiths, and kindred occupations, to whom were paid salaries aggregating $314,349. One thousand five hundred and twelve Indians, whose compensation aggregated $286,215, were employed last year in this service. In the Indian school service there were employed 1,183 for the work of nurses, matrons, clerks, cooks, bakers, laundresses, industrial and other teachers usually as assistants, but occasionally at the head of the respective departments, receiving salaries ranging from $36 to $900 per annum, and aggregating $282,211. One thousand one hundred and fifty-eight indians, whose compensation aggregated $277,562, were employed in the school service during the last fiscal year.

APPROPRIATIONS.

The aggregate of appropriations on account of the Indian service for the fiscal year ending June 30, 1900, is $7,678,863.19. Of this $7,504,775.81 is appropriated by the act making appropriations for the current and contingent expenses of the Indian Department and for fulfilling treaty stipulations with various Indian tribes, and $174,087.38 by various other acts. The total amount appropriated for the fiscal year 1899 was $8,237,675.44, which is $558,812.25 more than for the current fiscal year.

The items of difference between the appropriations for 1899 and those for 1900 are as follows:

Decrease:		
Fulfilling treaty stipulations		$584,799.09
Interest on Chickasaw funds		558,520.54
Total decrease		1,143,319.63
Increase:		
Current and contingent expenses	$28,600.00	
Miscellaneous supports, gratuities	18,000.00	
Incidental expenses	900.00	
Support of schools	297,690.00	
Miscellaneous	90,717.38	
Payment for lands	148,600.00	
		584,507.38
Net decrease		558,812.25

The different objects of appropriation for the Indian service for the years 1899 and 1900, respectively, are shown in the following table:

	1899.	1900.
Current and contingent expenses	$782,840.00	$811,440.00
Fulfilling treaty stipulations	3,250,399.90	2,665,600.81
Miscellaneous supports, gratuities	664,125.00	682,125.00
Incidental expenses	80,000.00	80,900.00
Support of schools	2,638,390.00	2,936,080.00
Miscellaneous	263,400.00	354,117.38
Interest on Chickasaw funds	558,520.54	.....
Payment for lands	.....	148,600.00
Total	8,237,675.44	7,678,863.19

The income of the various Indian tribes from all sources during the year may be stated as follows: (*a*) Interest on trust funds, $1,421,371.13; (*b*) treaty and agreement obligations, $3,318,334.92; (*c*) gratuities, $717,625; (*d*) Indian moneys, proceeds of leases, labor, etc., $688,871.86; (*e*) a total of $6,146,202.91, as against $5,573,885.50 of the last fiscal year.

a Interest on uninvested funds held in trust by the Government under the provisions of the act of April 1, 1880 (21 Stats., 70), and other acts of Congress. Paid in cash, as provided by law, to the various Indian tribes as treaties require, or expended, under the supervision of the Department, for the support, education, and civilization of the respective Indian tribes.

b Appropriated by Congress annually, under treaty stipulations, subject to changes by limitation of treaties. Expended under the supervision of the Department for the support, etc., of the Indians, or paid in cash, as provided by treaty.

c Donated by Congress for the necessary support of Indians having no treaties, or those whose treaties have expired, or whose funds arising from existing treaties are inadequate. Expended under the supervision of the Department.

d Proceeds of leasing of tribal lands for grazing and farming purposes, and results of Indian labor. Moneys collected through Indian agents, and expended under the direction of the Department for the benefit of the Indians, or paid to them in cash per capita.

e In addition to this total, a large income, amounting in the aggregate to probably a million and a half dollars, is received by individual Indians from sales of beef cattle and various products to the Government, the freighting of Indian supplies, the sales of products to private persons, and from the leasing or working on shares of allotted lands.

EDUCATION.

The first treaty containing a provision for Indian education was made with the Oneida, Tuscarora, and Stockbridge Indians in 1791; the second with the Kaskaskias in 1803. In the latter $100 was promised for seven years toward the support of a Romanist priest among the Kaskaskias, who should instruct children "in the rudiments of literature." The first Congressional provision was the appropriation in 1775 of $500 for an Indian pupil in Dartmouth College. In 1819 $10,000 was appropriated to assist the work of "associations or individuals who are already engaged in educating the Indians." With this meager assist-

ance, plus some small treaty funds, the Government left the work of Indian education to Christian philanthropy until 1870, when by an appropriation of $100,000 for Indian schools it recognized its own duty and opportunity. Since then with liberal appropriations the Government has built up an extensive system of schools in which Indian youth are trained to meet the conditions forced by civilization upon their race. Now only two large reservations, Flathead and Southern Ute, are without Government schools. The Flathead Reservation will, it is hoped, soon have one, and the Fort Lewis school is near enough to the Southern Utes to be considered as belonging to them.

The entire educational system of the Indian Bureau contemplates the ultimate abolishing of Indian reservations. To this end many nonreservation schools, notably Carlisle, lay great stress upon their "outing system" by which pupils are placed for fixed periods in private families, usually farmers, where they learn, as no institution can teach them, how white people work and live. As another step in that direction, some of the smaller agencies have been discontinued and their duties devolved upon the superintendent of the reservation school.

The appropriation for Indian education for the current fiscal year is $2,936,080, and for nine years past has not fallen below $2,000,000.

The following table will exhibit the enrollment and average attendance at all the schools for the fiscal year 1899, as compared with that of the fiscal year 1898:

Kind of school.	Enrollment.			Average attendance.			Number of schools.
	1898.	1899.	Increase.	1898.	1899.	Increase.	
Government schools:							
Nonreservation boarding	6,175	6,880	705	5,347	6,004	657	25
Reservation boarding	8,877	8,881	4	7,532	7,433	[1] 99	76
Day	4,847	4,951	104	3,286	3,281	[1] 5	142
Total	19,899	20,712	813	16,165	16,718	553	243
Contract schools:							
Boarding	2,509	2,468	[1] 41	2,245	2,159	[1] 86	28
Day	96	42	[1] 54	68	29	[1] 39	2
Boarding, specially appropriated for	394	393	[1] 1	326	335	9	2
Total	2,999	2,903	[1] 96	2,639	2,523	[1] 116	32
Public	315	326	11	183	167	[1] 16	([2])
Mission boarding[3]	1,079	885	182	783	960	177	18
Mission day	215	182	[1] 33	145	154	9	3
Aggregate	24,325	25,202	877	19,915	20,522	607	296

[1] Decrease.

[2] Thirty-six public schools in which pupils are taught not enumerated here.

[3] These schools are conducted by religious societies, some of which receive from the Government for the Indian children therein such rations and clothing as the children are entitled to as reservation Indians.

Of the 294 schools conducted under various auspices 243 are under the exclusive control of the Indian department. These schools show an

increase for the year of 813 in enrollment and 553 in average attendance. In most of the other schools there is a slight decrease.

The statistics of education among the New York Indians and the Five Civilized Tribes are not included in the foregoing table. The schools of the former are not under the supervision of this Department, but are reported as numbering 29 and having an average attendance of 436 pupils. The supervision of the schools of the Five Tribes in the Indian Territory, except those of the Seminole Nation, was assumed by this Department under the Curtis Act during the past year. All the schools in the Territory are reported as numbering 391, and having an average attendance of children of members of the Five Tribes of 6,571 pupils.

The Government has 25 nonreservation boarding schools. This number is considered sufficient for the present needs of the service. A new school has been opened during the year at Rapid City, S. Dak., but to offset this the Clontarf (Minn.) school has been discontinued.

The Government reservation boarding schools number 76. A new school has been opened at Cantonment among the Cheyennes and Arapahoes and one at Toledo for the Sacs and Foxes in Iowa.

Fort Spokane, Wash., having been turned over to the Interior Department, it will soon be transferred into a long needed boarding school for the children of the Colville Agency. A new boarding school is ready for opening on the Vermilion Lake Reservation in Minnesota.

The Fort Berthold and Winnebago buildings were burned and the schools temporarily discontinued, but the former will shortly be reopened.

There are 142 Government day schools, 7 of which are established in isolated Indian communities, away from reservations. Seven new day schools offset the same number discontinued during the year.

Contracts were made during the past year with 35 public schools, mostly in Nebraska and Oklahoma, for the admission of Indian pupils. An enrollment of 326 was secured, but the average attendance was only 51 per cent. It is a disappointment that in nine years no greater results have been secured in the attempt to put Indian children on the same educational footing as white children.

Congress having cut down 50 per cent the amount to be allowed sectarian contract schools during the current fiscal year, only $59,822 will be thus applied to the support of 564 pupils in 27 schools. However, many of these schools have kept up their attendance in spite of reduced appropriations, and while the assistance given last year was only 30 per cent of what was allowed in 1895, the attendance was nearly 50 per cent.

There are also 21 schools which have been carried on by missionary societies without Government assistance, except that such rations and clothing as the children may be entitled to are issued directly to the school.

Plans are made for giving new buildings to the San Carlos, Leech

Lake, Red Lake, Blackfeet, Pima, and Navajo schools, and among the the Shebits in Utah, and for establishing a school for the Jicarilla Apaches. The Keam's Canyon and Perris schools must be moved to more advantageous locations.

Many school plants have been greatly improved by enlargement and repair of buildings, and especially in the way of heating and ventilation, lighting, water supply, sewerage, and fire escapes. Regular fire drills by the pupils are required. The estimated value of school plants is over three and one-half million dollars.

The attendance at the schools on several reservations is not what it should be either as to numbers of pupils or regularity of attendance, and a compulsory school law, if enacted, would no doubt be productive of good results.

Under a recent decision of the United States court for the western district of Wisconsin runaway pupils may be apprehended and returned to schools by the school officials.

The Indian School Institute held at Los Angeles in connection with the National Educational Association was unusually successful in point of attendance, interest, and profit.

COMMISSIONS.

The Crow, Flathead, etc., commission, which under the then existing law should have been functus officio on the 1st of April, 1899, was, by the act of March 3, 1899 (30 Stat. L., 1235), authorized to continue its work until the 1st of April, 1900, and thereupon to cease. The appropriation, however, for its salaries and expenses was for a limited amount, and as it was nearly exhausted on the 18th of November, 1899, the commission was directed to stop further work on that date. In August of 1899 it concluded an agreement with the Crows for the cession to the United States of the northern portion of the Crow Reservation, estimated to contain 1,137,500 acres, for which $1,150,000 is to be paid, being at the rate of about $1.03 per acre. This treaty, however, awaits ratification by Congress. With the Flathead and Yakima Indians, however, the commission has been unsuccessful in its negotiations. The agreements concluded by the commission in January and February of 1898 with the Indians of the Uintah and Fort Hall reservations failed of ratification by the last Congress. The appropriations for this commission since its appointment in August of 1896 have aggregated $49,500.

THE CHIPPEWA COMMISSION, now consisting of one person, has continued its work of allotting lands and endeavoring to induce Indians to remove to the White Earth Reservation. During the year 175 allotments have been made and 58 Indians have removed. The expenditures have been $12,640.37. The commission, by direction of the Department, will close its work December 31, 1899, and any further allotments thereafter will be made by a special Indian agent.

THE PUYALLUP COMMISSION has, under the authority contained in

the act of March 1, 1899 (30 Stat., 400), continued to supervise sales on the Puyallup Reservation, which consists of allotted lands and an agency tract. The allotted lands cover 17,500 acres. The Indian allottees consented to the sale of 8,732.24 acres at a total appraised value of $374,160.58. The agency tract of land contained 598.80 acres. Of this amount 338.40 acres was platted in lots and blocks to be sold, the total appraised value thereof being $206,950. The sales of lots from this tract amounted to $45,033.50.

ADMINISTRATORS AND GUARDIANS FOR CITIZEN INDIANS.—The generally irresponsible character of administrators and guardians and their sureties, appointed or approved for citizen Indians by local courts, has frequently been brought to the attention of the Department, with a view to correction of the abuses growing out of such appointments. Instructions were issued August 30, 1899, directing each agent to arrange with the local county or probate judge that no administrator or guardian for Indians shall be appointed without the certification of the agent that he is a fit person for the trust. Agents were also directed to examine the county records to ascertain who are now acting as administrators or guardians, and then to investigate as to their character and responsibility and report thereon.

SALE OF LIQUOR TO INDIANS.—Many prosecutions for sale of liquor to Indians have been instituted during the year and numerous convictions had. At the circuit court Spokane, Wash., 17 white persons and 2 Indians were fined $100 each and sentenced to the penitentiary for from two to eight months. At Chamberlain, S. Dak., a liquor seller was sentenced for giving whisky to pupils of the Indian school; two have been convicted for sales to Utes, and one indicted for sales to Mescalero Apaches. Special Agent R. J. W. Brewster, of the Department of Justice, has conducted several investigations, notably among the Seminoles in Florida and the Chippewas of the Leech Lake Agency, Minn. Complaints from other quarters have been received and are being carefully inquired into with the view of apprehending and punishing the guilty parties.

EXHIBITION OF INDIANS.—Authority for the exhibition of Indians has been granted by the Department during the year, as follows:

Cody and Salisbury: One hundred Indians for general show and exposition purposes; bond, $10,000.

Lansing Warren, of Chicago Inter Ocean: Thirty Indians to play lacrosse at Inter-Ocean's Carnival of Sport.

Oklahoma City Fair Association: "A reasonable number" of Indians to demonstrate at the Agricultural and Horticultural Fair their advancement in civilization.

Denver Carnival: Ninety Indians.

Yellowstone Lake Boat Company: One or two tepees of Indians on Dot Island for the interest of tourists.

Guy W. Green, of Lincoln, Nebr.: Three Ponca baseball players during the baseball season.

Greater American Exposition, Omaha: One hundred Indians; deposit of $50 per capita required.

R. W. Breckon, secretary: Thirty Indians to participate in the Annual Frontier Day Celebration at Cheyenne, Wyo.

Some time ago a party of 13 Sioux were taken surreptitiously from the Rosebud Reservation. Last June, through the State Department, it was reported that they were in danger of being abandoned in Germany, whereupon arrangements were made (in case they should become stranded) to have them taken in charge by the United States embassy at Berlin and returned to this country.

Applications to have Indians participate in fairs in Texas have been refused, owing to the law of 1880, which forbids any Indian to enter Texas on any pretext.

Other applications have been refused because Indians taken away from home to be exhibited are liable to suffer from neglect. Moreover, the influence of exhibition life upon Indians is usually demoralizing, and the Commissioner submits a protest from the agent for the Pine Ridge Agency emphatically setting forth the injury which has thus been wrought upon Indians from his agency. Hereafter permits will be issued in such cases only as it is satisfactorily shown will be in the interest of the Indians, and that the according of such privilege will not result in their suffering from neglect or bad treatment.

ALLOTMENTS AND PATENTS.—During the year patents have been issued and delivered to the following Indians:

Sioux of the Devils Lake Reservation, N. Dak	260
Round Valley Reservation, Cal	18
Hoopa Valley (addition), Cal	474
Southern Ute, Colo	360

Allotments have been approved by the Department as follows:

Chippewas of Lake Superior on the Lac du Flambeau Reservation, Wis	153
Sioux on the Rosebud Reservation, S. Dak	469
Certificates issued to members of the Kiowa and Comanche tribes, Oklahoma	11

The issuance of patents to the Rosebud Sioux has been suspended until the requirements of the agreement concluded with these Indians March 10, 1898, can be complied with.

Schedules of the following allotments have been received in the Indian Office, but have not been finally acted upon:

Klamath Reservation, Oreg	1,179
Otoe and Missouria reservations, Okla	632
Yakima Reservation, Wash	440
Colville, Wash	198

On the Uncompahgre and Uintah reservations 295 allotments have been made; 83 of them were made on the Uncompahgre Reservation after April 1, 1898, the date of its being thrown open, but they have since been legalized by act of March 1, 1899 (30 Stat. L., 294).

The agreement of March 1, 1898, with the Lower Brule Sioux was ratified by the act of Congress approved March 3, 1899 (30 Stat. L., 1362). By it the 550 Lower Brule Sioux who have joined the Rosebud

Sioux are permitted to remain with them, and the balance of the tribe who stay on the Lower Brule Reserve are to have their lands reallotted. Under the terms of this agreement the Rosebud and Lower Brule allotments will be revised so as to give a married woman her share of the tribal lands instead of adding it to her husband's share.

Additional allotments are being made among the Omahas, one eighth of a section to every woman, and the same amount to every child born since the tribe received its allotments; also an additional one sixteenth of a section to everyone who received only a sixteenth when allotments were made originally.

Allotments are being made to Winnebagoes who were entitled to allotments in 1887, but failed to receive them.

Allotment work is being pushed on the Colville Reservation, Wash. It has been delayed on the Shoshone Reservation, Wyo., awaiting completion of surveys.

IRRIGATION.—The irrigation canal on the Fort Hall Reservation, Idaho, has not been completed, the affairs of the Idaho Canal Company, who were constructing it, being in the hands of receivers. The latter seem desirous of completing the work, and it is to be hoped that operations will be resumed at no distant day.

An agreement has been negotiated with the Crow Indians whereby they have agreed to devote $100,000 of the moneys of their grazing fund to the completion of the extensive irrigation works on their reservation.

LOGGING ON INDIAN RESERVATIONS.—Authority for disposing of dead and down timber on Chippewa reservations was granted by the Department December 6, 1898, upon recommendation of the Indian Office; a report, however, of a special agent of that Bureau, dated December 12, 1898, showed that there was but little dead timber on the reservations, and that in previous years large quantities of green timber had been cut and sold as "dead and down," and the authority, therefore, was not promulgated.

On the ceded Chippewa lands logging of dead and down timber was carried on under the supervision of the Commissioner of the General Land Office up to the suspension of further work under the Departmental order of March 30, 1899; a detailed account of the work on this reservation will be found under the head of "lands," on pages 11, 12, and 13.

Logging on the Lac du Flambeau, Bad River, and Red Cliff reservations in Wisconsin has proceeded satisfactorily.

The Menomonee Indians cut and banked 16,000,000 feet of logs, for which they received $15.08 per thousand. They also cut and banked 6,000,420 feet of timber from a tract of 280 acres, belonging to the Oconto Company, upon the condition, that they be paid $4.25 per thousand for their labor, and after the removal of the timber that they receive the lands in fee from that corporation. Under this agreement there was paid for their services to the Indians $25,501.79, and the Oconto Com-

pany has filed a quitclaim deed to the United States for the tracts of land in question. The approval of this deed is now under consideration.

INDIAN LANDS SET APART TO MISSIONARY SOCIETIES.—Tracts of reservation lands have been set apart during the year for the use of societies carrying on educational and missionary work among Indians as follows: On the Rosebud Reservation, S. Dak., 120 acres; on the Spokane Reservation, Wash., 5 acres; on the Potrero Reservation, Cal., 15 acres; on the White Earth Reservation, Minn., 80 acres; a total of 220 acres.

LEASING OF INDIAN LANDS.—On the Kiowa and Comanche Reservation, Okla., 21 grazing leases and 1 grazing permit of tribal lands have been executed; on the Wichita Reservation, Okla., 12 grazing leases; on the Omaha Reservation, Nebr., 87, and on the Winnebago Reservation, Nebr., 45 farming and grazing leases, and on the Uintah Reservation, Utah, 1 mineral lease of gilsonite, asphaltum, etc.

The following table summarizes the leases made of allotted lands:

Reservation.	Kind of lease.	No. of leases.	Years.	Rate.
Cheyennes and Arapahoes, Okla.	Farming and grazing	136	3	15 to 78 cents per acre per annum.
Chippewas, Minn	Business	1	5	$102 per annum.
Crow Creek, S. Dak	Grazing	2	1	$36.
Oneidas, Wis	Farming	1	1¼	$120 for full term.
Nez Percés, Idaho	Farming and grazing	51	1, 2, 3	30 cents to $2.50 per acre per annum.
Do	Business	26	1, 5	$30 to $240 per annum.
Omahas, Nebr	Farming and grazing	96	1, 2, 3	25 cents to $2 per acre per annum.
Winnebagoes, Nebr	do	152	1, 2, 3	Do.
Poncas, Pawnees, etc., Okla	do	370	1, 2, 3	Do.
Do	Business	1	5	$5 per acre per annum.
Puyallups, Wash	Farming and grazing	14	1, 2, 5, 7	$3.60 per acre per annum to $12.50 per acre per month.
Senecas, Ind. T	do	1	1	$2 per acre per annum.
Round Valley, Cal	do	1	1	$1.16 per acre per annum.
Absentee Shawnees, Okla	do	32	1, 2, 3	17 cents to $3 per acre per annum.
Pottawatomies, Okla	do	23	1, 2, 3	Do.
Sacs and Foxes, Okla	do	44	1, 2, 3	Do.
Iowas, Okla	do	17	1, 2, 3	Do.
Kickapoos, Okla	do	25	1, 2, 3	Do.
Sacs and Foxes, Okla	Residence and business.	6	1	$10 for 50 by 150 square feet.
Siletz, Oreg	Grazing	2	1, 3	79 and 41 cents per acre per annum.
Umatillas, Oreg	Farming and grazing	6	1, 2, 3	70 cents to $2.68 per acre per annum.
Walla Wallas, Oreg	do	14	1, 2, 3	Do.
Cayuse, Oreg	do	21	1, 2, 3	Do.
Yakimas, Wash	do	9	3	$1 to $1.75 per acre per annum
Yankton Sioux, S. Dak	Grazing	85	3	10, 12½, and 15 cents per acre per annum.
Lake Traverse, S. Dak	Farming and grazing	49	3	19 to 23 cents per acre per annum.

SALES OF INDIAN LANDS.—During the year the Peorias have made 24 and the Miamis 9 conveyances of their allotted lands, aggregating 2,549.28 acres, at a valuation of $22,841, at an average price of $8.96 per acre. The total sales since the act of June 7, 1897, permitting the alienation of their lands, are 81, aggregating 6,644.90 acres. During the past year the Citizen Pottawatomies have made 97 and the Absentee Shawnees 34 conveyances of their lands, aggregating 12,821.85 acres, at an average price of $5 per acre. Since the act of August 15, 1894, they have parted with 52,915.36 acres for $294,802.11. Only those Pottawatomies whose allotments were made under the general allotment act can alienate their lands. Those who took allotments under the act of May 23, 1892, should be given the same privileges, and a bill to carry into effect this recommendation will be submitted to Congress.

TELEPHONE LINES ACROSS RESERVATIONS.—The act of February 9, 1899 (30 Stat. L., 834), authorizes the Missouri and Kansas Telephone Company to construct a telephone line across the Ponca, Otoe, and Missouria reservations. It is to be noted that this is the first authority of the kind ever granted by Congress.

RAILROADS ACROSS RESERVATIONS.—The act of March 2, 1899 (30 Stat. L., 990), is a general enabling act by which any company may acquire right of way through Indian lands for railroad, telegraph, or telephone lines by complying with Department regulations.

Authority for railroad lines has been granted by the Department as follows:

Arkansas Valley and Gulf Railroad, through Oklahoma and Indian Territory; Gulf and Northern Railroad, through Osage, Ponca, and Otoe and Missouria, and the Five Civilized Tribes reservations; Kansas, Oklahoma and Texas Railroad, through Cherokee, Osage, Wichita, and Kiowa and Comanche reservations and Cheyenne and Arapahoe allotments; Rio Grande, Pagosa, and Northern Railroad, through Southern Ute allotments; St. Louis, Tecumseh and Lexington Railroad, across Indian lands in Oklahoma; Shawnee, Oklahoma and Indian Territory Railroad, across Indian lands in Oklahoma; Tecumseh and Shawnee Railroad, across Indian lands in Oklahoma; Eastern Oklahoma Railroad, through Indian lands in Oklahoma and into the Cherokee Nation; Chicago, Milwaukee and St. Paul Railroad, through Yankton Reservation.

By special acts the Arkansas and Choctaw Railroad, the Little River Valley Railroad, and the Fort Smith and Western Railroad have been granted rights of way through the Choctaw, Chickasaw, and Creek nations; the Clear Water Valley and Clearwater Short Line railroads through Nez Perce lands, and the Sioux City and Omaha Railroad through the Omaha and Winnebago reservations. The Commissioner also gives information as to the status of 21 railroads to which by previous legislation right of way across Indian lands had been given.

NEEDED PUBLICATIONS ON INDIAN MATTERS.—For many years there has been an increasing demand for a publication containing all ratified treaties and agreements made between the various Indian tribes and the United States. Such a work would be very valuable for reference by the Executive Departments of the Government, by the Indian committees in Congress when considering legislation affecting Indian tribes, and also by the several Indian tribes themselves, who are yearly becoming more intelligent and desirous of obtaining information as to what lands their forefathers occupied and claimed and how and when they were ceded to the Government. A book of this character, containing all treaties with "Indian tribes from 1778 to 1837, with a copious table of contents," and covering 699 pages, was compiled and printed in 1837. The Commissioner recommends that this work be continued to date and that provision be made for its publication; also that appropriations be made for the republication of the "Executive orders relating to Indian Reservations" and the "Laws relating to Indian Affairs," the supply of these two works being completely exhausted. I concur in his recommendations in the premises.

ATTACK BY PAPAGOS ON EL PLOMO.—The four ringleaders of the Papago Indians who made a raid in April of 1898 on the village of El Plomo, Mexico, were held in custody by the United States authorities until the spring of 1899, when, after a trial, the jury found the Indians not guilty and they were discharged. Thereupon the Mexican ambassador dispatched a note saying that while his Government would respect the decision of the court, yet it asked attention to the influences which led to the acquittal, and desired that there be no further occasion for similar complaints against Indians of the United States. The Pima agent was instructed August 1, 1899, to take means to prevent any future raids into Mexico by Indians of his agency.

CATTLE SMUGGLING BY INDIANS IN ARIZONA.—Growing out of the El Plomo raid a charge was made by the collector of customs at Nogales, Ariz., that the Papagos had brought into the United States cattle stolen in Mexico, which were difficult to detect since the Indians had adopted Mexican brands. The Treasury Department having requested the cooperation of the Interior Department in the "protection of the revenue, the observance of the sanitary laws, and to avoid internal complications which may arise from the unlawful acts of the Indians," the acting agent for the Pimas was directed to investigate the matter, and he replied that the charges were unfounded and that the customs officials were misled by statements made by the Mexicans, and that while the Indians had been guilty of some smuggling, yet Americans and Mexicans were also engaged in cattle smuggling and were using the cattle brands of the Indians. Thereafter special agents were detailed by the Interior and Treasury Departments, respectively, to make a joint investigation, and, as a result, regulations were prepared to prevent smuggling and to obviate friction between customs officials

and Indian agents in Arizona. They were issued in December, 1898, and forwarded to Indian agents, with supplementary instructions, February, 1899.

SMALLPOX AMONG PUEBLOS.—In many of the Pueblo villages, especially among the Moquis and Zuñis, smallpox has been epidemic in spite of vigorous attempts at vaccination and quarantine. One of the Moqui mesas was saved, but in the other two, out of a population of 900, there were 590 cases and 184 deaths. After the epidemic the cleaning and disinfecting in one of the villages of the second mesa was so bitterly opposed by a conservative faction that troops had to be called in. Nine leaders of the opposition were arrested and confined for four months in Fort Defiance. In the Zuñi pueblo there were 249 deaths. Twelve other pueblos suffered, some severely, some very slightly.

MISSION INDIANS, CALIFORNIA.—The supreme court of California by a bare majority has recently rendered a decision adverse to the claim of Mission Indians to tracts known as Warner's Ranche or Agua Caliente. These lands have been in continuous occupancy by the Mission Indians further back than any records go. The plaintiffs, J. Downey Harvey et al., claim title through a United States patent issued to J. J. Warner January 16, 1880, and the two grants from the Mexican Republic made in 1840 and 1844. The Indian side has thus far been defended through private benevolence. The question of taking an appeal to the Supreme Court of the United States is now being considered by the Department of Justice.

SEMINOLES IN FLORIDA.—In the last annual report of my predecessor a brief history of the Seminole Indians and their descendants in Florida, and the steps taken by the Department with a view to procuring lands for them, was set forth. Since that time Inspector A. J. Duncan has investigated the matter, and in April of this year recommended that some 27,360 acres be obtained from the State of Florida to be held for the Indians or exchanged for other lands in that State, and that some 41,160 acres be purchased for the Indians from companies owning the same. Subsequently, in May, he recommended the immediate purchase of 13 sections of land, and that as soon as the appropriation for 1900 should become available that nine additional sections be purchased. His recommendations in the matter were approved, and the Commissioner of Indian Affairs was directed to carry them into effect.

In July two deeds from the Disston Land Company, executed June 27, 1899, the first conveying to the United States, for the use of the Seminole Indians, all of sections 23, 25, 27, 29, 31, 33, and 35, T. 48 S., R. 34 E., containing 4,490.84 acres, and the second all of sections 13, 15, 17, 19, and 21 in the same townships, containing 3,206.48 acres, were received, and subsequently the titles thereto were approved by the Attorney-General.

In August two deeds from Frank Q. Brown, trustee, executed June 8, 1899, the first conveying to the United States, as trustee for the Seminole Indians in Florida, all of sections 22, 24, 26, 28, 30, 32, and 36 in T. 48 S., R. 34 E., containing 4,480 acres, and the second all of sections 12, 14, and 20 in the same township, containing 1,920 acres, were submitted.

The purchase price of these lands was at the rate of 50 cents per acre.

No information has been received concerning the legislation by the State of Florida relative to the transfer of lands owned by that State which are desired for the Indians.

THE INDIAN TERRITORY UNDER THE CURTIS ACT.

The Five Civilized Tribes comprise approximately 34,461 Cherokees, 14,771 Creeks, 2,825 Seminoles, 19,406 Choctaws, and 9,048 Chickasaws.

These tribes have heretofore controlled their own affairs, having their respective governors or principal chiefs and their national or tribal officers, with their legislatures or councils, enacting their own laws and conducting their affairs, including schools, as they deemed proper. Their lands have been owned in common, citizens being authorized to appropriate portions of the common domain for their private use, renting to noncitizens, as their laws permitted. All noncitizens located in these nations were taxed for the privilege of residing and conducting business therein, the rates varying according to the character of business carried on. These revenues are supposed to have amounted to a considerable sum, but their collection and handling have been improperly conducted. Their records are incomplete, rendering it impossible to ascertain the correct aggregate amount collected. In many instances amounts due have been "compromised" with collectors, and in other cases but a small percentage of the moneys collected has reached the treasury of the nation to which it belonged.

The act of Congress approved June 28, 1898 (known as the Curtis Act), revolutionizes the condition of affairs in the Indian Territory by providing for the allotment in severalty of the lands of the Five Tribes after town sites and other reservations have been made, the placing of the mineral resources of the Choctaw and Chickasaw nations in the hands of mineral trustees acting under supervision of the Secretary of the Interior, to be leased for development, and requiring a royalty to be paid on coal and asphalt and all other minerals produced. These royalties will provide a large revenue, which is to be deposited for the support of the schools of these nations.

This condition in the Choctaw and Chickasaw nations was brought about by an agreement embraced in section 29 of the said act of Congress, whereby their government, as also that of the Seminole Nation, shall retain full control, handling their own tribal funds, collecting revenues due, and retaining the organization of their tribal courts, with the exception of certain offenses in which the United States courts have jurisdiction.

INSPECTOR FOR THE INDIAN TERRITORY.—The report of the United States inspector for the Indian Territory, J. George Wright, shows that the Cherokees and Creeks recently concluded agreements with the United States providing for the allotment in severalty of their lands and the continuance of their tribal government, which were confirmed by their own people, but not ratified by Congress; therefore the general provisions of the act of Congress approved June 28, 1898, are in force in these nations. These provide for equal distribution of land per capita, abolition of tribal courts, and require all payments by the United States due the respective nations to be made by a United States officer, and not to any tribal officer for disbursement as heretofore; also, that all royalties, rents, etc., due such tribes shall be collected by Federal officers for credit of the respective tribes, and regulations have been issued by the Department at various times to carry into effect the provisions of this act.

In February last the office of the Indian inspector and agent, with a considerable portion of the town of Muscogee, was burned, destroying all data and records, causing considerable delay and embarrassment in the transaction of business.

A general superintendent of schools for the Indian Territory was appointed in February last, who has general supervision of Indian schools, under direction of the Secretary of the Interior, with a supervisor in the Choctaw, Chickasaw, Creek, and Cherokee nations.

Town site commissioners are now engaged in platting, surveying, and appraising town lots in various localities in the Choctaw, Chickasaw, and Creek nations.

The mineral trustees for the Choctaw and Chickasaw nations made 38 leases of 969 acres prior to June 30, 1899, which have been approved by the Department. The royalties paid to the Indian agent for the fiscal year ending June 30, 1899, amounted to $110,145.25, placed to the credit of the Choctaw and Chickasaw tribes, and of this amount $48,100.73 has been used in settlement of school indebtedness incurred in the Choctaw Nation since July 1, 1899.

An uncalled for strike which occurred in February last among coal miners in the Territory has seriously interfered with operations of mines in these nations and materially reduced royalties.

Funds arising from coal and asphalt are reserved for schools for children of Indian blood, excluding colored freedmen. There are a large number of noncitizens not provided for in schools, for which some provision, if possible, should be made.

Mineral leases in the Creek and Cherokee nations have heretofore been granted by the national authorities under a tribal law covering contracts which continue for a term of years. As set forth in their recent agreement, which was not ratified by Congress, no mineral is desired to be reserved from allotment, and protests have been filed with the Department against granting or renewing mineral leases for

a term of fifteen years, as authorized by the act of Congress approved June 28, 1898. Applications have been received from interested parties only upon lands where improvements have actually been made or money been expended in developing or operating mines under their former tribal leases.

As the result of an investigation into the burning to death of two Seminole boys and maltreatment of others at the hands of a mob of white men whose acts were inspired by an alleged outrage said to have been committed upon a white woman, the sum of $5,000 was paid to each of the parents of the two boys, and $2,470.75 to others for damages received, Congress having made an appropriation for this purpose. (30 Stat. L., 625.) The arrest of those participating in the mob has been made; three convicted and others awaiting trial.

Smallpox appeared in the Creek Nation in February last and spread rapidly. As the tribal authorities took no step to check the same, the inspector was directed to establish proper quarantine and do everything necessary to prevent further spread of the disease. Physicians reported 167 cases, with 81 deaths, and 3,259 persons vaccinated, at an aggregate cost of $11,262.48, which included the necessary expenditures for services of guards, nurses, physicians, traveling expenses, clothing, care of sick, etc. The Cherokee Nation has at present an outstanding indebtedness of over $600,000 in warrants drawing interest at 6 per cent, while their invested funds with the Government draw but 5 per cent. They receive from the Government annually for such interest $59,570.95. As, therefore, they are paying more interest than they receive, it is desirable that Congress permit them to draw a sufficient amount from their invested funds to liquidate their outstanding indebtedness.

The act of Congress approved March 3, 1899 (30 Stat. L., 1099), appropriated not exceeding $75,000 for the payment of outstanding warrants of the Choctaw Nation, and directed the Secretary of the Interior to ascertain the validity of said warrants and designate the officer to make the payment of the same if found to be existing valid obligations against said nation. Special Inspector Zevely was instructed to make the investigation required, and on July 11 last reported that the outstanding indebtedness of said nation, as shown by the warrants presented, aggregated $112,280.85, and consisted of warrants on the national fund amounting to $99,354.25, and on the school fund to $13,466.57. Since the filing of said report there have been presented to the Department for payment three additional warrants—for $5,000, $4,900, and $2,500, respectively—and these, after investigation, the inspector recommends be paid, so far as the appropriation will permit. The aggregate value of all warrants presented is $125,220.85.

The disbursement of said appropriation has been directed to be made by the United States Indian agent at Union Agency, in accordance with the recommendations of the inspector contained in said report.

As a result of his investigation of the alleged "unbusinesslike manner" in which the Choctaw warrants were issued, Inspector Zevely, on August 1, 1899, called attention to the several laws of the respective nations under which warrants are issued, and recommended that hereafter the auditor of the Choctaw Nation should first procure a warrant book having a stub which should be in the nature of a duplicate of the warrant issued, which should bear his seal of office; that warrants when issued on the national fund should be submitted to the United States Indian agent for the Union Agency at Muscogee, with such evidence of their validity as will warrant him in indorsing them for payment, and that school warrants should be submitted to the United States superintendent of schools for the Indian Territory with evidence of their validity. These recommendations were approved by the Department, and, so far as applicable, extended to the Chickasaw Nation, and the principal executives of said nations duly advised thereof.

The Chickasaw Nation was recently paid from treaty funds $230,000 with which to pay their outstanding indebtedness, and in the Creek Nation the Indian agent has recently disbursed about $205,000 to pay the outstanding indebtedness of that nation.

The present financial condition of affairs in these various nations demonstrates the fact that their revenues and disbursements have not been properly made or their laws enforced, as has been shown by investigation in numerous instances. The Choctaw Nation appropriates about $35,000 per annum for its tribal courts. Such courts have been abolished in the Creek and Cherokee nations since October 1, 1898. There appears to be no necessity for their reestablishment, and apparently there is none for the continuance of the tribal courts in the Choctaw and Chickasaw nations.

The inspector expresses the opinion that it is absolutely essential that all schools in the Territory be placed under the supervision of the Department, and suggests the advisability of legislation requiring that all taxes and revenues throughout the various nations be collected by the Department and used as a general school fund for all, noncitizens and others.

As the Government is now handling all funds of the Creek and Cherokee nations and assuming advisory supervision of their schools, and as the various councils in the different nations are costing their people large amounts of money without accomplishing any practical good, he urgently recommends that all tribal governments be abolished or modified to the extent of having one general council consisting of two or more members with the chief from each nation, which shall meet annually for the purpose of passing uniform laws throughout the Territory, to be approved by the President and enforced in the United States courts until further legislation is enacted concerning affairs in the Indian Territory.

FIVE CIVILIZED TRIBES (DAWES) COMMISSION.—The annual report of the Commission to the Five Civilized Tribes is worthy of the most careful consideration by Congress. It presents not only a clear, comprehensive statement of the work accomplished by the commission during the year, but it also gives a graphic statement of affairs in general in Indian Territory, and is, therefore, of special value as a means of information.

The report shows greater progress in the work of the commission than during any preceding year. The act of Congress of June 28, 1898, ratified, in an amended form, agreements made by the commission with the Choctaws and Chickasaws April 23, 1897, and with the Creeks September 27, 1897, conditional upon their ratification by a majority of the voters of these tribes at elections to be held prior to December 1, 1898. The agreement with the Choctaws and Chickasaws was confirmed by them at the special election held August 24, 1898, and is now, therefore, in force. The Creek executive, Chief Isparhecher, was opposed to the adoption of the agreement and reluctant to call the prescribed election, which was finally held, however, upon the 1st of November, 1898, when the agreement was rejected by about 150 votes. Subsequently, as the provisions of the "Act for the protection of the people of Indian Territory and for other purposes" began to take effect, the Creeks realized the true condition of affairs, and their Council having appointed another commission for that purpose, an agreement was made February 1, 1899, and was ratified by the Creeks at a special election held February 18, 1899, by a majority of 485 votes.

The Cherokees, who, up to the time they began to feel the effect of the Curtis act, had shown no real disposition to make an agreement, save by the appointment of a commission, with which the Dawes Commission was unable to open negotiations, now appointed a new commission, empowered to act for a period of thirty days. This commission began its negotiations with the Dawes Commission December 19, 1898, completing an agreement upon the 14th of January, which, when submitted to the members of the tribe at a special election held January 31, 1899, was ratified by a majority of 2,106 votes. These agreements with the Creeks and Cherokees are not in all respects satisfactory, but are the best which could be secured. The chief difficulty experienced in the negotiations with the Creeks and Cherokees was the unwillingness of the tribes to consent to a division of their lands upon actual appraised values.

The most difficult and complex duty devolving upon the commission is that of preparing the citizenship rolls of the various tribes. Its performance has necessitated the making of ten distinct rolls, and all individuals whose names are placed upon these rolls are required to be so described "that they may be thereby identified." The commission has no authority to admit applicants to citizenship. Its authority in making rolls extends merely to the determination of who in fact are

citizens, there being many spurious claimants. In each of the five tribes the requisites for citizenship are different, so that the completed rolls will be found to contain names of Indians, whites, and negroes of full-blood and every possible admixture of blood. The field work of enrollment in four of the nations has been practically completed. That in the Cherokee Nation yet remains to be done, and with a full realization of the importance of the early completion of citizenship rolls, strenuous efforts are being made toward that end. Until this shall have been accomplished it will not be practicable to proceed with the work of allotment, as the authority to make rolls is invested in the commission proper, and all questions of citizenship must be determined before applications for allotment can be received. With the rolls completed and duly approved, offices for the selection of allotments can be established and the division of tribal lands can rapidly proceed.

An office for the selection of prospective allotments in the Creek Nation was opened at Muskogee, on April 1, 1899, where the citizenship rolls had been substantially completed. The Creeks had shown a disposition to ignore the expressed policy of the Government with reference to changes in Indian Territory, but upon the opening of said office they recognized the importance of making their selections, and presented themselves at the office of the commission. Prior to July 1, 1899, three thousand eight hundred selections had been made in the Creek Nation.

The issuance of certificates of selection to Creek citizens has been materially retarded by reason of contests arising between claimants as to their respective rights in the selection of allotments. Each claimant naturally desiring to select the land upon which his home and improvements are situated—a right which the law gives him—it has been impossible to properly adjust such differences without a subdivision of tracts made by previous survey. For this purpose a surveying party has been employed in the Creek Nation in dividing sections into 40-acre lots, and ascertaining the boundaries of existing farms as related to such subdivisional lines. By this procedure it has been possible to fix the exact location of each citizen's farm and to properly determine contests. The work is an important one, equally essential in the thickly populated districts of all the five tribes, and a largely increased surveying corps should be engaged in it.

Under the terms of the Seminole and Choctaw-Chickasaw agreements, the work of appraising the lands of those tribes previous to allotments is in progress. Without such appraisement an equal division of tribal property is not possible. In the Seminole country this work was begun in April, 1899. Four field parties are now engaged in the work of appraisement in the Choctaw and Chickasaw nations. It is desirable that the work of appraisement be proceeded with more rapidly. The commission recommends that such number of appraisers be employed as are necessary to complete the work of appraisement in all five tribes before the close of the ensuing fiscal year.

For many years the most important industry in the Indian Territory has been stock raising. The wire fences of the cattlemen extended in every direction, obstructing public highways and surrounding many a small farmer or stock grower. In some instances these immense pastures were held under a lease contract with the tribal authorities. Usually, however, under pretext of citizenship, or some agreement with a citizen of the nation, unfenced lands suitable for their purposes were taken possession of, and the citizens of the various tribes received little of the revenue which should have accrued from this use of their common inheritance. The Department having construed sections 16 and 23 of the Curtis act to prohibit the leasing of lands except from individuals in actual possession of and occupying lands or where the same had been duly set apart to them, it was made the duty of the commission to investigate and forward to the Department for approval all leases of lands selected under said sections.

Up to July 1, 1899, 345 leases, covering 118,510 acres of land in the Creek Nation, have been forwarded for Department approval, after having been examined by the commission. The average rate of rental received by the individual making the leases is 25 cents per acre. The payment of this amount to citizens will prove of great benefit to many families, and when, with the opening of offices for the selection of allotments in the other nations, a similar system can be established the benefit to members of the tribe will be considerable.

Reference has already been made to the obstruction of public highways by wire fences. The absence of any uniform laws in regard to public roads causes the general public much annoyance and much inconvenience, as the roads are changed at the caprice or convenience of any individual. Appropriate legislation corrective of this condition is recommended.

Attention is called to the urgent and pressing need of such action by Congress as shall, in the most speedy manner possible, remedy existing conditions. The starting point for all measures looking toward an amelioration of this deplorable situation in the Territory must of necessity be through the allotment of lands in severalty; this, following the completion of citizenship rolls, is the great work of the commission, and that it may be pushed forward with the utmost speed practicable a largely augmented force of surveyors and appraisers will be required. The present administrative force of the commission will be able to direct the movements of this increased force of assistants, thus shortening the time required in the performance of the duty intrusted to them, and in the interest of economy, as well as of expediency and the public good; and to this end the advisability of largely increasing the appropriations is earnestly urged upon the consideration of Congress.

The recommendation made in last year's report that speedy and adequate appropriations be made for the establishment and maintenance of schools for the education of noncitizen children is reiterated. It is

represented that a most serious condition exists by reason of the great number of children who are growing to manhood and womanhood in the Territory without school advantages.

The opinion is expressed by the commission that the time has not arrived for the installation of a Territorial or State government. The reasons assigned are the lack of uniform land tenures, the class ownership of the soil confined to approximately 85,000 citizens as against approximately 400,000 noncitizens who do not own a foot of land, save as provision has recently been made for the sale of town lots. The agreement concluded with the Choctaws and Chickasaws explicitly extends their government until March 4, 1906, and as a result a uniform system of laws can not be established at this time. An agreement with the Seminoles, ratified by Congress July 1, 1898, permits the continuance of the Seminole government in a limited way, and many other complications exist which make impracticable the immediate establishment of a Territorial or State government.

The report of the Commission will be found in the appendix—Exhibit A.

REMOVAL OF CHAMBERLAIN FAMILY FROM COEUR D'ALENE RESERVATION, IDAHO.—Some years ago six Chamberlain brothers and others asserted a right to Cœur d'Alene lands and funds. When the office refused to recognize any such right, all but Bartholomew, Fabian, and James Chamberlain left the reservation. These three, on the other hand, selected lands there and made improvements and filed a claim for $13,340 of Cœur d'Alene money. The agent was instructed September 23, 1898, that they must remove from the reservation, but would be given a reasonable time to sell their homes. To the notice they paid no attention, and June 24 a military detail was furnished the agent by which he removed Bartholomew Chamberlain and his personal effects from the reservation; also the wife and five children and household goods of Fabian Chamberlain. Fabian and James Chamberlain were both away from home; the family in the house of James Chamberlain had sickness among them, but agreed to remove as soon as practicable. Upon both houses notices were posted warning them not to interfere with the premises.

POTTAWATOMIE AND KICKAPOO LANDS.—The act of February 28, 1899, authorizes the sale of the unallotted lands of their reservations, of the Kickapoos and Prairie Band of Pottawatomies in Jackson and Brown counties, Kans., with the consent of a majority of each tribe respectively. An inspector has been instructed to present the matter to them.

MODIFICATION OF PAYMENTS FOR OTOE AND MISSOURIA LANDS.—The controversy which has existed since May, 1883, between the Otoes and Missourias and the settlers on their former reservations in Kansas and Nebraska, as to the purchase price of those lands, remains unsettled. In April last the settlers, through their attorney, J. A. Van Orsdel, proposed as follows: That the actual market value of the lands at

the time of sale be ascertained by sworn depositions, from which the Department shall decide and declare what was the market value at date of sale, to be not less, however, than the original appraised value.

The basis of settlement between the settlers and the Indian owners of the land is to be this declared value of the lands plus 5 per cent simple interest from date of sale, credit being given for payments already made by settlers; all balances due the Indians to be paid them within ninety days after notice of amount due shall be given the settlers; any balances found due settlers on account of excess payments to be rebated to them with 5 per cent simple interest within ninety days out of moneys to the credit of the Indians in the United States Treasury. This proposition was rejected by the Indians.

HOSTILITIES AMONG PILLAGER CHIPPEWAS IN MINNESOTA.—In September, 1898, upon a report that hostilities were apprehended among the Pillager Chippewas, the War Department was asked to send troops to Leech Lake, and the Chippewa agent and an inspector were sent there to investigate.

It seems that in April, 1895, Bugonaygeshig, a Pillager Chippewa, whose home was on Bear Island, was arrested by a deputy United States marshal for disposing of whisky to an Indian, but owing to lack of witnesses he was discharged. In June of the same year he and some other Indians were served with subpœnas to appear as witnesses in a case against an Indian who had been arrested for assault with intent to kill. The Indians paid no attention to the subpœnas, and writs of attachment were issued against them for contempt of court. Bugonaygeshig was placed under arrest at Bear Island, but was rescued by his friends. In October bench writs were issued for him and twelve other Indians. Ten of them were induced to go to court, where they plead guilty to the charge of resisting deputy marshals, and were sentenced to thirty days in jail. The other three were Bugonaygeshig, Shobon daysh kung, and Wahyahbegunzhebid. September 15, 1898, the first two, while attending the annuity payment at Leech Lake, were arrested by a deputy marshal and placed in the agency jail, but were afterwards rescued by fifty or sixty of their friends. Warrants were then issued for more than twenty of the Indians who had taken part in the rescue.

When the agent and inspector reached Leech Lake September 30, they found the Indians excited and determined not to surrender the men wanted by the court officials. A council was called October 3, which few Indians attended. Meantime soldiers arrived, and also Deputy Marshal Shehan, who commenced serving new warrants. October 5 they went to Sugar Point to make arrests. Two were made. While the soldiers were stacking their arms preparatory to getting dinner, a gun was accidentally discharged, whereupon the Indians concealed in surrounding woods opened fire, killing Major Wilkinson and 6 soldiers and 1 Indian policeman; 12 soldiers, 1 Indian policeman,

the inspector, and deputy marshal were wounded. The next day the Indians held a council with the agent, and active hostilities ceased.

October 14 the Commissioner of Indian Affairs visited the hostile camp and after several councils, induced all but three of those for whom warrants were issued to surrender to the marshal. At their trial, October 21, twelve were sentenced to imprisonment for from two to ten months and to pay fines of $25 to $100. After two months they were set at liberty and their fines remitted in recognition of their previous good conduct, the peculiar circumstances of the case, and the fact that when they surrendered it was with the promise that for those reasons lenient treatment would be accorded.

For many years wholesale arrests of Chippewas have been made, especially in whisky cases, solely for the fees which would accrue to the officials, and Indians have been helped to obtain whisky by the very ones who arrested them for using it. Sometimes after being taken to court they have been left to get home as best they might. In fact, the whole matter of arrests had become a farce and a hardship to the Indians and a disgrace to the community. The Indians had been further irritated by injustice in the use of their funds and frauds in the disposition of their pine. Green timber has been fraudulently cut and disposed of as "dead and down" timber, or has been fired to bring it under the head of "dead and down" timber. This loss and expense fell entirely upon the Indians, and they knew it. All these and other minor influences wrought together to produce the general feeling of oppression and distrust which found expression when the arrests were undertaken by the aid of military force.

PIPESTONE RESERVATION NEGOTIATIONS.—Under the provisions of the act of June 7, 1897 (30 Stat. L., 87), an inspector of the Department was directed to negotiate with the Yankton tribe of Indians in South Dakota for the purchase of a parcel of land near Pipestone, Minn., on which is located an Indian industrial school. This tract of land contains the red pipestone quarries famous in Indian legend and history and not unknown to our own literature. The valuation first fixed upon the reservation by the Indians, embracing 684.04 acres, or a little more than one section, was $3,000,000; it was subsequently reduced to $1,000,000, and finally was offered to the Government for $100,000 upon the condition that they be permitted to go upon the reservation for the purpose of obtaining pipestone from its quarries. The inspector first offered $100 per acre, or $64,840 for the tract, which was subsequently increased to $75,000. No agreement was concluded, the Indians having refused the last offer, but negotiations will shortly be resumed by the Government, as it has a large school plant there and needs undisputed possession of title to the lands.

NORTHERN CHEYENNE RESERVATION, MONT.—The Indian appropriation act approved July 1, 1898 (30 Stat. L., 596, 597), provides for investigating the condition of the Northern Cheyenne Reservation in

Montana, the status of white settlers thereon, the question of removing the Indians elsewhere, etc.

An inspector was assigned to this work under instructions of the Department. His report of November 14, 1898, contained the following recommendations:

That the reservation be extended so as to furnish the Indians with an ample supply of water and grazing lands.

That the lands and improvements of certain settlers within the original reservation and the proposed addition be purchased, at a valuation of $151,595.

That in case the reservation boundary should be extended, the same be fenced on its north and south boundaries, at a cost not to exceed $7,150.

That bulls and heifers be purchased for the Cheyennes, at a cost not to exceed $28,200.

That an appropriation be made for the erection of new buildings at the Tongue River Agency and repairing old ones, not to exceed $10,000; also for the establishment of a subissue station, blacksmith shop, and farmer's residence on Tongue River, at a cost not to exceed $3,055, the entire appropriation recommended being $200,000.

These recommendations were embodied in Senate bill 5561 of the last Congress, also in a Senate amendment to the Indian appropriation bill, but failed to become a law.

ZUÑI PUEBLO GRANT, N. MEX.—The title of the Zuñi Pueblo Indians to this tract of land, of which the tribe has been in possession for two hundred years, is still unconfirmed, and can be secured to them only by special act of Congress. A draft of the necessary legislation will be prepared for submission to Congress at its next session.

BOUNDARY OF KLAMATH RESERVATION, OREG.—By an erroneous survey of the outboundaries a large area was excluded from the Klamath Reservation as established by the treaty of 1874, and upon this tract white families have settled. Against this wrong the Indians have continuously protested. Finally a commission to investigate was authorized by Congress in 1896, whose findings gave the excluded area as 617,490 acres, valued at 86.36 cents per acre, or $533,270. In the Indian appropriation act of July 1, 1898, Congress authorized a resurvey and negotiations with the Indians for the cession of a portion of their reservation.

An agreement was concluded with them December 27, 1898, in which they surrendered this tract, approximating 617,490 acres, for 86.36 cents per acre, the exact amount to be determined by resurvey. On this sum 5 per cent interest is to be paid the Indians annually per capita, and the principal is to remain in the Treasury until the Klamaths shall ask to have portions of it paid them as their needs may require. Contract for the resurvey was let by the General Land Office, May 1, 1898.

FISHERIES IN WASHINGTON.—By appeal on the part of the Government, the suit instituted against the Alaska Packers' Association to prevent their interference with the Lummi fisheries at Point Roberts, Wash., was brought before the United States Supreme Court, on May 22, 1899; however, on motion of the Attorney-General, the case was

dismissed. The Attorney-General had satisfied himself that the suit could not be maintained in the Supreme Court; but such rights as the Indians have were not waived by the dismissal.

PENSIONS.

The report of the Commissioner of Pensions shows that on the 30th day of June, 1898, there were 993,714 pensioners borne upon the roll, and on the 30th day of June, 1899, there were 991,519, a decrease of 2,195, classified as follows, to wit:

Widows and daughters of Revolutionary soldiers	11
Survivors and widows of soldiers of war of 1812	1,999
Survivors and widows of soldiers of Indian wars	5,555
Survivors and widows of soldiers of Mexican war	17,379
Army invalid pensioners	316,834
Army widows, minor children, etc	90,597
Navy invalid pensioners	4,721
Navy widows, minor children, etc	2,293
Army nurses	653
Act of June 27, 1890:	
Army invalid pensioners	405,987
Army widows, minor children, etc	124,127
Navy invalid pensioners	14,925
Navy widows, minor children, etc	6,139
War with Spain:	
Army invalid pensioners	117
Army widows, minor children, etc	165
Navy invalid pensioners	6
Navy widows, minor children, etc	11

The number of claims adjudicated during the year was 196,973, of which 107,919 were rejections, and 89,054 allowances, the latter divided as follows: Original pension claims, 37,077; restorations, 3,914; increases, reissues, and additionals, 32,408; and accrued and duplicates, 15,655.

There were pending in the Pension Office on the 30th day of June, 1898, as shown by the report of the Commissioner, 635,059 claims. During the year 18,765 new claims were filed and 196,973 adjudicated, leaving an apparent balance of 186,851. A recount, however, of the files of the office disclosed the fact that the estimates from the divisions, upon which the previous year's claims on hand were based, were inaccurate, and that there were actually but 477,239 claims pending on the 30th of June, 1899. A material reduction in the number of pending claims for the year is shown, the decrease being 157,820.

The amount appropriated for pensions by the act of March 14, 1898, was $140,000,000; this, together with the repayments to the appropriation, amounting to $6,514.56, aggregated $140,006,514.56, which was available for the payment of pensions for the fiscal year 1899.

The amount disbursed for army and navy pensions during the year ended June 30, 1898, was $144,651,879.80; the amount expended for

the same purpose during the fiscal year ended June 30, 1899, was $138,355,052.95, leaving an unexpended balance of $1,651,461.61 to be covered into the Treasury, and showing a decrease over the previous year's expenditure of $6,296,826.85.

The salaries and per diem expenses of the Pension Bureau amounted to $2,617,384.48; the cost of disbursements, fees of examining surgeons, etc., was $1,237,687.75, making the gross expenditure on account of pensions, disbursements, office expenses, clerk hire, etc., $142,210,125.18.

The "annual value" of the pension roll, that is, the amount of money required to pay one year's pension to persons then on the roll, at the rate or rates for which pensioned, was $131,617,961 on June 30, 1899, an increase of $649,496 over the preceding year, and greater than it had been at any time heretofore.

The average annual value of all pensions for the fiscal year ended June 30, 1899, was $132.74, as against $131.79 for the last fiscal year; the average under the general laws increased during the year from $163.21 to $165.70, and that under the act of 1890 from $108.11 to $108.99, while the average annual value of the pensions granted under the war with Spain amounts to $196.53. This is explained by the fact that only about 300 pensions on account of this war have been issued, they being to widows and for gunshot wounds, the minor disabilities not having as yet been considered. The probabilities are that the pension roll will, by reason of the late war with Spain, not only increase in amount, but in numbers during the fiscal year of 1900. Up to the close of the fiscal year there had been filed 17,560 army and navy claims on account of service in the war with Spain, and of these 303 had been allowed.

The number of pensioners living in foreign countries at the close of the year was 4,306, to whom was paid in pensions the sum of $633,309.70. The number of special acts granting pensions passed by the third session of the Fifty-fifth Congress was 300.

During the year the pension agencies at Detroit and Milwaukee were provided with quarters in public buildings in those cities, leaving but six of the eighteen agencies now occupying leased quarters, at an annual rental of $12,460. The work of the agencies is well in hand, and the rapidity and promptness which characterize the quarterly payments are remarkable.

Under existing laws the pensions of soldiers or sailors whose applications have been filed since July 1, 1880, or may hereafter be filed, commence at date of filing the declaration in the Pension Bureau. The same provision of law applied to claims of widows until the passage of the act of June 7, 1888, which removed all limitations as to the date of filing in widows' claims and made their pensions commence from the date of death of the soldier. The Commissioner reiterates the opinion expressed in previous reports, and in which I concur, that legislation should be had to the end that no pension be granted to commence prior to

the date of filing the claim. He cites cases in which large amounts of pensions have been drawn by fraudulent claimants under the provisions of this act, and characterizes the law as a bad one in that it holds out inducements and offers a premium to the vicious to file fraudulent claims carrying large sums as arrearages, and imposes great difficulty upon the office in disproving carefully prepared fraudulent claims thereunder.

Since the repeal of the act of June 21, 1879, which required biennial examinations, there has been no way of determining the varying degrees of disabilities except when pensioners apply for increase. In view of the fact that many new pensioners are about to be added to the rolls, young men who are likely to recover from the ailments which now entitle them to pension, the Commissioner recommends that proper legislation be enacted providing for biennial examination of pensioners.

The Commissioner calls attention to the recommendations in previous reports as to the necessity for a thorough revision of the pension laws. He states—

In my last annual report I made the following recommendation which I desire to commend to your careful consideration, viz:

"Since the passage of the general law of July 14, 1862, there have been numerous laws amendatory, special and general, with the many rulings and decisions interpreting the laws, until the whole system is a most complex and wonderful network or labyrinth of laws and legal opinions, to the end that a precedent may be cited for any action of this Bureau.

"The importance of the work is such, and the demands upon the revenues of the Government so great, with a prospect of much greater in the near future, that I am of the opinion that, in order to secure reliable, intelligent, and uniform practice in the future, a commission should be appointed on the revision of the laws, rules, and regulations governing the issuance of pensions."

This should be done, especially to meet future conditions. With our present laws and established practice there can be no uniformity in pensioning. The beneficiaries are dissatisfied and there is general criticism.

An early revision and codification of the pension laws is, in my judgment, highly desirable, and I therefore earnestly commend the Commissioner's recommendations in the premises to the favorable consideration of Congress:

The third section of the act of June 27, 1890, reads as follows:

That if any officer or enlisted man who served ninety days or more in the Army or Navy of the United States during the late war of the rebellion, and who was honorably discharged has died, or shall hereafter die, leaving a widow without other means of support than her daily labor, or minor children under the age of sixteen years, such widow shall, upon due proof of her husband's death, without proving his death to be the result of his army service, be placed on the pension roll from the date of the application therefor under this act, at the rate of eight dollars per month during her widowhood, and shall also be paid two dollars per month for each child of such officer or enlisted man under sixteen years of age, and in case of the death or remarriage of the widow, leaving a child or children of such officer or enlisted man under the age of sixteen years, such pension shall be paid such child or children until the age of sixteen: *Provided*, That in case a minor child is insane, idiotic, or otherwise permanently helpless, the pension shall continue during the life

of said child, or during the period of such disability, and this proviso shall apply to all pensions heretofore granted or hereafter to be granted under this or any former statute, and such pensions shall commence from the date of application therefor after the passage of this act: *And provided further*, That said widow shall have married said soldier prior to the passage of this act.

Literally interpreted, the above means that a widow is not entitled to the pension thus provided for, should she have other means of support than the product of her daily labor, the latter, plus the amount of pension, being presumedly sufficient for her necessities.

The practice of the Department has been to arbitrarily and liberally construe the act so as to allow the widow an income, independent of the product of her daily labor, equal to the proposed pension before refusing the latter. But it is contended that such liberal construction does not sufficiently meet the spirit of the act.

The difficulty in determining this question is found in the varying conditions which the case of each claimant develops, both with respect to "the product of her daily labor" and to "means of support," and it is most desirable that further legislation should be had.

While the amount of the pension, under conditions stated, is fixed, "the product of her daily labor" depends upon many contingencies involving health, occupation, and position in life, there being in the various departments, and no doubt in other lines of employment, many pensioned widows whose compensations vary from $600 to $1,800 a year. The salary in each case is the product of her daily labor, and while in the one case it is three times as much as in the other, was it the intention of Congress to place each on the same pension basis? Again, the widow, solely dependent upon "the product of her daily labor" may, through ill health and lack of opportunity, not be able to earn more than $25 or $30 a month, while there may be and are widows wholly incapacitated for daily labor through the infirmities of age.

While from the foregoing it would appear that a proper discrimination is not made with respect to that portion of the law which has reference to "the product of her daily labor," it is claimed, on the other hand, that the contingencies above mentioned are unavoidable and impossible of regulation. I therefore leave this part of the law for the further consideration and action of Congress.

The words "means of support," however, cover a wide range, namely, either barely the means of existence or support in luxury, and in order to more exactly define the words "means of support," I approve the recommendation of the Commissioner of Pensions, as set forth in his letter of July 20, 1899, that the third section of the act of June 27, 1890, be so amended that a pensionable status be granted to widows whose income, independent of the proceeds of their daily labor, is not in excess of $250 per annum.

FEES OF ATTORNEYS AND AGENTS IN PENSION CLAIMS. — The act of July 4, 1884 (23 Stat. L., 98), and the supplementary acts of March 19, 1886 (24 Stat. L., 5), June 27, 1890 (26 Stat. L., 182), March

3, 1891 (26 Stat. L., 1081), and August 5, 1892 (27 Stat. L., 348), contain provisions regulating the compensation of attorneys and agents for "services in prosecuting a claim for pension," and, subject to certain specified restrictions, clothe the Commissioner of Pensions with a supervision over the allowance of such compensation and direct that, when "such pension * * * claim shall be allowed," such compensation shall be paid by the Commissioner of Pensions directly to the attorney or agent out of the pension money. The manifest purpose of this legislation is to protect pension claimants from unreasonable charges on the part of attorneys and agents engaged in securing the allowance of their claims.

This legislation is, however, limited to regulating compensation for "services in prosecuting a claim for pension," and does not extend to compensation for services rendered in other pension proceedings which do not in themselves constitute the prosecution of "a claim for pension." This has been sharply called to the attention of the Department in different ways. One of these is in connection with the administration of section 4766 of the Revised Statutes and the amendatory act of March 3, 1899 (30 Stat. L., 1379). This section, as amended, relates to the payment of pension money after the claim has been allowed, but has nothing to do with the allowance of the claim itself. It provides for enforcing a division or distribution between a pensioner and his wife or children, in certain enumerated contingencies, of the money accruing upon his pension.

The granting of an application by a wife or children for the division or distribution of such pension money is not the allowance of a pension; does not require the issuance of a pension certificate; will not increase the amount of moneys to be paid by the Government under the pension laws, and will not make the wife or children pensioners. The husband or father, as the case may be, will still be the pensioner, will still hold the pension certificate, and when the contingency which gives rise for the divided payment of the pension money ceases he will be entitled to receive all moneys thereafter accruing upon his pension.

These applications by wives and children are not, therefore, claims for pension within the meaning of the legislation regulating the compensation of attorneys and agents for services in prosecuting claims for pensions, but are only requests for the divided payment of the moneys accruing upon a pension, the claim for which has theretofore been successfully prosecuted to allowance by the husband or father. Such applications are nevertheless proceedings under the pension laws in which the beneficiaries should receive the same protection against unreasonable charges on the part of attorneys and agents as are otherwise accorded to pension claimants and pensioners. Indeed, the wives or children intended to be benefited by the act of March 3, 1899, are usually less able to protect themselves against such unreasonable charges than are most of the pension claimants who are accorded

full protection by the act of July 4, 1884, and the acts supplementary thereto.

Another instance in which it has been shown that the existing legislation regulating the compensation of attorneys and agents is not broad enough occurs in the administration of section 4718 of the Revised Statutes, which provides that where the pensioner or pension claimant dies the accrued pension money shall be paid to the widow or children, if there be such; and if not, shall be paid by way of reimbursement to "the person who bore the expenses of the last sickness and burial of the decedent in cases where he did not leave sufficient assets to meet such expenses." In the United States district court for the western district of Pennsylvania, in the case of United States *v.* Nicewonger (20 Fed. Rep., 438), it was held that an application for the payment of accrued pension money, as directed in this section, was not a claim for pension within the meaning of the acts regulating the compensation of attorneys and agents.

That Congress has the power to fix the fees of attorneys and agents for services in securing the allowance of a pension, or in procuring the payment, division, or distribution of any pension money, is fully established by the case of Frisbie *v.* United States (157 U. S., 160, 166), but in the absence of such legislation by Congress, or in those instances which are not covered by Congressional legislation, attorneys and agents may demand and receive from the claimants or applicants such compensation for their services as may be agreed upon. This is shown by the opinion of Mr. Justice Brewer in United States *v.* Kock (21 Fed. Rep., 873), where it is said:

> In the absence of a statute prohibiting it, any man may contract for his services. He is not bound to render them; and, rendering them, he may charge the person seeking those services such fee as they may agree upon.

Under these circumstances I earnestly recommend that the existing legislation regulating the compensation of attorneys and agents for services in pension matters be so amended as to provide that no compensation whatever shall be paid to them directly or indirectly for any service in connection with any claim or proceeding under the pension laws, except such as may, within certain limits fixed by Congress, be allowed by the Commissioner of Pensions and paid from the pension money, as now provided with respect to "claims for pension."

FREE DELIVERY OF PART-PAID MAIL MATTER TO UNITED STATES PENSION AGENTS.—The act of Congress approved July 5, 1884 (23 Stat. L., 158), provides, section 3:

> That section twenty-nine of the act of March third, eighteen hundred and seventy-nine (United States Statutes at Large, page three hundred and sixty-two), be, and it is hereby, amended so as to read as follows:
>
> "The provisions of the fifth and sixth sections of the act entitled 'An act establishing post routes, and for other purposes,' approved March third, eighteen hundred and seventy-seven, for the transmission of official mail matter, be, and they are hereby, extended to all officers of the United States Government, not including members of Congress, the envelopes of such matter in all cases to bear appropriate

indorsements containing the proper designation of the office from which or officer from whom the same is transmitted, with a statement of the penalty for their misuse. And the provisions of said fifth and sixth sections are hereby likewise extended and made applicable to all official mail matter of the Smithsonian Institution: *Provided*, That any Department or officer authorized to use the penalty envelopes may inclose them with return address to any person or persons from or through whom official information is desired, the same to be used only to cover such official information and indorsements relating thereto: *Provided further*, That any letter or packet to be registered by either of the Executive Departments or bureaus thereof, or by the Agricultural Department, or by the Public Printer, may be registered without the payment of any registry fee, *and any part-paid letter or packet addressed to either of said Departments or bureaus may be delivered free: but* where there is good reason to believe the omission to prepay the full postage thereon was intentional such letter or packet shall be returned to the sender: *Provided further*, That this act shall not extend or apply to pension agents or other officers who receive a fixed allowance as compensation for their services, including expenses of postage. And section thirty-nine hundred and fifteen of the Revised Statutes of the United States, so far as the same relates to stamps and stamped envelopes for official purposes, is hereby repealed."

The act of Congress approved July 2, 1886 (24 Stat. L., 122), "making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1887, and for other purposes," provides, section 4:

For the salaries of eighteen agents for the payment of pensions, at four thousand dollars each, seventy-two thousand dollars; and hereafter the provisions of section three of the act approved July fifth, eighteen hundred and eighty-four, entitled "An act making appropriations for the service of the Post-Office Department for the fiscal year ending June thirtieth, eighteen hundred and eighty-five, and for other purposes," are *hereby extended and made applicable to all official mail matter of agents for the payment of pensions.*

Recent application was made to the Postmaster-General to cause to be delivered to the various pension agents in the United States all short-paid mail matter addressed to them without collecting the deficiency in postage, but he expressed the opinion that, under existing law, there was no authority to enable him to comply with such request. Inasmuch as the several agents for the payment of pensions are now required to pay short postage from the appropriation for contingent expenses of pension agencies, I have the honor to recommend that Congress so amend the existing laws relating to postal affairs as to extend to the pension agencies the privilege conferred by the act of July 5, 1884, on the Executive Departments or bureaus thereof, of having delivered free any part paid letter or packet addressed to said pension agencies.

DISBURSEMENTS ON ACCOUNT OF PENSIONS, 1865–1899.—As indicating the liberality of this Government in the matter of providing pensions for those who have served their country, it may be stated that there has been disbursed on account of pensions, and expenses incident to the execution of the pension laws, from 1866 to 1899, the sum of $2,469,731,366.02; the disbursements by years for such purposes, together with the number of pensioners on the rolls each fiscal year since July 1, 1865, being shown by the following table:

Statement showing disbursements for pensions, fees of examining surgeons, cost of disbursement, salaries, and other expenses of the Pension Bureau, and the number of pensioners on the rolls each fiscal year since July 1, 1865.

Fiscal year.	Disbursements for pensions.		Fees of examining surgeons.		Cost of disbursement, maintaining pension agencies, etc.	Pension Bureau.		Number of pensioners on rolls.
	Army.	Navy.	Army.	Navy.		Salaries.	Other expenses.	
1866	$15,158,598.64	$291,951.24			[1]$155,000.00	$237,165.00	$15,000.00	126,722
1867	20,552,948.47	231,841.22			[1]155,000.00	308,361.49	27,615.86	155,474
1868	22,811,183.75	290,325.61			[1]155,000.00	366,186.20	31,834.14	169,643
1869	28,168,323.34	344,923.93			[1]155,000.00	366,007.31	43,519.50	187,963
1870	29,043,237.00	308,251.78	Paid from army and navy pensions. No separate account kept.		216,212.86	333,660.00	51,125.00	198,686
1871	28,081,542.41	437,250.21			431,720.03	372,378.97	58,980.00	207,495
1872	29,276,921.02	475,825.79			457,379.51	436,315.71	57,557.78	232,189
1873	26,502,528.96	479,534.93			456,323.99	456,021.26	90,855.39	238,411
1874	29,603,159.24	603,619.75			447,693.17	444,052.24	75,048.72	236,241
1875	28,727,104.76	543,300.00			444,074.79	464,821.21	73,799.35	234,821
1876	27,411,309.53	524,900.00			447,702.13	468,577.80	98,798.88	232,137
1877	27,659,461.72	523,360.00	$66,057.42	$767.00	455,270.05	445,262.08	67,102.78	232,104
1878	26,251,725.91	534,283.53	231,658.26	3,310.00	313,194.37	443,096.56	41,240.90	223,993
1879	33,109,339.92	555,089.00	85,543.50	995.00	203,851.24	493,255.70	54,088.70	242,755
1880	55,901,670.42	787,558.66	73,161.00	2,386.00	221,926.76	582,517.84	55,035.68	250,802
1881	49,419,905.35	1,163,500.00	113,392.00	3,345.00	222,295.00	686,565.45	46,462.19	268,830
1882	53,328,192.05	984,980.00	222,995.87	9,600.00	234,544.37	868,113.92	130,981.85	285,697
1883	59,468,610.70	958,963.11	321,966.49	19,220.00	285,620.29	1,723,285.68	241,555.83	303,658
1884	56,945,115.25	907,272.22	247,966.32	14,100.00	303,430.61	1,936,161.65	333,522.42	322,756
1885	61,222,275.34	949,661.78	475,031.13	7,150.00	275,976.55	2,122,926.54	511,492.12	345,125
1886	63,034,642.90	1,056,500.00	487,614.76	5,100.00	294,724.14	1,948,285.80	509,291.91	365,783
1887	72,464,236.69	1,288,760.39	1,089,724.92	16,600.00	248,280.42	1,968,599.66	430,195.91	406,007
1888	77,712,789.27	1,237,712.40	833,561.86	11,581.75	263,109.87	1,986,027.55	420,776.24	452,557
1889	86,996,502.15	1,846,218.43	772,272.72	15,119.00	278,902.20	1,978,119.98	422,554.50	489,725
1890	103,809,250.39	2,285,000.00	876,108.51	19,569.11	292,697.35	1,957,725.43	380,281.73	537,944
1891	114,744,750.83	2,567,939.67	1,591,293.76	49,700.00	380,360.14	2,301,721.80	377,560.74	676,160
1892	135,914,611.76	3,479,535.35	1,690,507.47	35,090.00	500,122.02	2,494,122.87	178,823.44	876,068
1893	153,045,460.94	3,861,177.00	1,614,392.80	43,235.50	519,292.95	2,460,044.50	230,768.67	966,012
1894	136,495,965.61	3,490,760.56	652,678.50	20,000.00	517,430.37	2,403,522.75	370,344.69	969,544
1895	136,156,808.35	3,650,980.43	782,631.08	25,136.25	563,449.86	2,461,890.50	504,912.52	970,524
1896	134,632,175.88	3,582,999.10	665,313.97	7,273.50	565,027.85	2,258,959.35	494,800.94	970,678
1897	136,313,914.64	3,635,802.71	678,395.44	[2]	572,439.41	2,262,597.70	474,350.52	976,014
1898	140,924,348.71	3,727,531.09	894,249.08	[2]	536,629.84	2,254,181.40	429,051.14	993,714
1899	134,671,258.68	3,683,794.27	715,191.26	[2]	522,496.49	2,151,578.85	465,805.63	991,519
Total	2,338,559,870.58	51,351,104.16	15,181,708.12	309,278.11	12,092,178.63	44,442,110.75	7,795,115.67	.....

[1] Approximate.

[2] Now included in Army.

The disbursement of $465,805.63 for "other expenses of Pension Bureau, includes $78,638.10 for stationery and printing, binding, and engraving, repairs of Pension building, and "contingent expenses." The statement for years prior to 1899 does not include these items.

PENSION APPEALS.

Appeals from the decision of the Commissioner of Pensions are considered and the decisions prepared in the Board of Pension Appeals, which is under the immediate supervision of the Assistant Secretary of the Interior. During the fiscal year ended June 30, 1899, there were filed 9,458 appeals and 189 motions for reconsideration; during that period 5,628 appeals and motions for reconsideration were disposed of; 865 of this number were dismissed, no decision therein being necessary, the Commissioner of Pensions having receded from the adverse action either to allow the claim or to reopen the same for further investigation. In effect this reduced the number of reversals on file, effecting a more prompt adjudication of the claims, and relieved the claimants of the necessity of awaiting consideration of their appeals in the regular order of filing. After deducting the dismissals, as above indicated, decisions may be stated to have been rendered in 4,763 cases, of which 394 were reversals.

The number of appeals and motions for reconsideration have fallen off somewhat as compared with those received during the year ended June 30, 1898, but the number filed during the last fiscal year is still far in excess of former years; there has, however, been a substantial increase in the number of cases disposed of. The number of pending appeals appears to be gradually increasing month by month, and on July 1, 1899, there were then pending 13,757 appeals and 45 motions for reconsideration.

Appeals filed now can not be reached for consideration in the regular order of business in less than about eighteen months. As soon as additional room in this building can be provided the membership of the board will be increased by details from the Pension Office, which, it is hoped, will result in a material reduction in the number of pending appeals.

THE PATENT OFFICE.

The report of the Commissioner of Patents upon the business of the Patent Office for the fiscal year ended June 30, 1899, shows that there were received within that year 35,352 applications for mechanical patents, 2,292 applications for designs, 91 applications for reissues, 1,610 caveats, 1,861 applications for trade-marks, 612 applications for labels, and 112 applications for prints. There were 23,550 patents granted, including reissues and designs; 1,406 trade-marks, 372 labels, and 76 prints were registered. The number of patents that expired was 16,670. The number of allowed applications which were by operation of law forfeited for nonpayment of the final fees was 4,021. The total receipts of the office were $1,209,554.88; the total expenditures were $1,148,663.48, and the surplus of receipts over expenditures, being the amount turned into the Treasury, was $60,891.40.

Applications for patents, including reissues, designs, trade-marks, labels, and prints.

June 30—	
1890	43,810
1891	43,616
1892	43,544
1893	43,589
1894	39,206
1895	41,014
1896	45,645
1897	47,747
1898	44,216
1899	40,320

Applications awaiting action on the part of the office.

June 30—	
1890	6,585
1891	8,911
1892	9,447
1893	8,283
1894	7,076
1895	4,927
1896	8,943
1897	12,241
1898	12,187
1899	2,989

It will appear from the foregoing that the prediction of the Commissioner that with the additional force of examiners authorized by Congress the arrears of work would be brought up has been fulfilled. Only 2,989 applications were awaiting action on June 30, nine thousand less than at the end of the previous fiscal year, and a smaller number than at the close of any fiscal year for at least ten years.

The Commissioner of Patents states that the most notable advance of the year in the work of the Patent Office has been the establishment of a classification division and its entry upon a thorough revision and extension of the classification of patents and printed publications, the examination of which lies at the foundation of our patent system.

The necessity for this work, after being repeatedly called to the attention of Congress, was finally recognized, and an act was passed by Congress and received the approval of the President on June 10, 1898, which went into force at the commencement of the fiscal year. Before beginning the work of classification the principal examiners and other members of the examining corps were invited to give their views upon the subject; and after careful consideration of the same, an order establishing a classification division was made, and the division placed in charge of a principal examiner, with the title of "Chief of the Classification Division."

As a preliminary step it was considered desirable to ascertain how much of the material was available, and to that end it was decided to rearrange the original drawings of all patents in numerical order and to prepare a list on which they could be checked.

These drawings were heretofore arranged by subclasses, and it was necessary to know the classification of a patent before it could be found, which often necessitated a long search. By the numerical arrangement it is possible to find it at once, and at the same time much storage space is saved. The arrangement of these drawings numerically was at once commenced, and as the first 10,000 patents had no numbers and were only identified by name and date, considerable additional labor was involved to find and properly arrange such earlier patents. The entire work of arranging the drawings of nearly 800,000 patents and trade-marks has been substantially completed.

While the arranging of the drawings was proceeding the work of classification went on. This work involves the careful consideration of each patent, in order to place it in its proper class and subclass. Many of these patents have to be read to be fully understood, and much care must be taken to select titles which will clearly indicate the contents of each subclass and to preserve clear lines between them. Cross references are also necessary between subclasses of the same class by reason of the presence of mixed matter in the same patent. A system of card index of subclasses and other details has been perfected which will make it possible to detect and remedy any losses. Arrangements have also been made for the preservation of the classification and for the prevention of unauthorized changes by retaining under the supervision of the classification division all patents hereafter granted.

It is already patent that the work of the classification division will prove a great benefit to the office, increasing the accuracy and rapidity of searches, and that the public will experience corresponding benefits. It will also produce a corps of experts in classification who will become more familiar with all classes of the office than would be possible were their services confined to a single division, and those who operate in a single division will become more thoroughly acquainted with other classes than they would in working solely in making examinations.

The Commissioner recommends some general legislation increasing the powers of the Commissioner of Patents, acting under the direction of the Secretary of the Interior, referring among others to authority to dispose of models of expired patents, and the exchange or sale of books in the scientific library not necessary for the use of the office, coupled with authority to replace them with modern scientific works.

The Patent Office is more than self sustaining. As American inventive genius has cheapened the cost of production, to the advantage of American wages, it would seem as though the legislative branch of the Government should do much to encourage the useful arts and the inventors of the country. At the present time our manufacturers are reaching out for foreign markets, and no greater aid can be given them than by fostering and stimulating invention, to become dominant in the markets of the world through labor saving inventions which will

enable it to compete with the lower wages paid to the so-called working classes in other countries. The greatest development in American exports must be in the direction of increase in the export of manufactures. The Commissioner asserts that we mainly owe to our patent system such foothold as we have gained during the past fifty years in foreign lands for our manufactured products, and that we can, by a fair and liberal treatment of our inventors, control for our manufacturers not only our home markets but the markets of the world.

Most labor-saving machinery perfected within the last seventy-five years is the invention of our own people. The reaping machine, which from 1861 to 1865 did the work of more than a million men working with hand implements, is of American origin. The same is true of the modern plow and its added improvements, of the corn planter, and the thrashing and separator machines. In the textile industry the American record surpasses that of all other countries. Wool-carding machinery owes its chief improvement to the invention of John Goulding, whose patent was issued in 1826, which dispensed with the splicing billy and produced the endless roll or sliver. The Crompton loom for weaving fancy woolens and the Bigelow loom for weaving carpets are of American invention.

It is not alone by fundamental inventions that our inventors have revolutionized in so many respects the textile industry. Not the less have their inventions in automatic devices, in expediting processes, and in many steps dispensing with hand labor assisted in placing this country in the front ranks in the textile art. Another marked illustration is found in the steel industry, where the reduction in manual labor has enabled our manufacturers to successfully compete with foreign nations. American electrical appliances command the world's markets. Let it not be forgotten that it is the American inventors who by their inventions and discoveries "have made the last fifty years of the nineteenth century the most remarkable of recorded time," and at the same time have laid the civilized world under tribute to American manufactures.

In return for all this our inventors only ask a fair field and fair treatment. They only ask that the money paid into the Treasury by them shall be used, so far as necessary, for the purpose of providing necessary facilities for prompt and intelligent action upon their applications for patents for their inventions. They ask no subsidies. They give more than they take. An enlightened public sentiment demands that their requests should be considered with favor by the Executive and by Congress.

THE TWELFTH AND PRIOR CENSUSES.

The report of William R. Merriam, Director of the Twelfth Census, shows that under the act of Congress approved March 3, 1899, entitled "An act to provide for taking the twelfth and subsequent censuses,"

he qualified as Director on the 7th of March, 1899, and that his assistant, Mr. Wines, qualified on the 10th of March.

The preliminary work necessary to the enumeration of the population in 1900 is well under way. Forms of schedules for population and agricultural statistics have been determined upon and plans mapped out for the selection of experts to be employed as special agents. Two hundred and ninety-five supervisors of the census have been appointed out of a total of 297, and special agents have been appointed for the superintending of the taking of the census in the district of Alaska and the Hawaiian Islands.

A contract has been entered upon for the construction of a building for the use of the Twelfth Census, and it is expected that it will be ready for occupancy by the 1st of January, 1900. The contract provides that the building shall be leased for a term of five years from the date of its completion, at a rental of $26,600 per annum, reserving to the Government the right to renew the lease for a second term of five years at a rental of $20,000 per annum. Also, the right to purchase at any time during the life of the lease.

Attention is directed to the fact that in view of the large quantity of supplies required for the office, and in order to purchase the same in an economical manner, it has been necessary to assign a special agent to act as a purchasing agent. The Director recommends that the act be so amended as to make specific provision for such an officer. He further recommends that 2 additional chiefs of division and 19 additional clerks be authorized by Congress.

Based upon section 3 of the act of March 15, 1898 (30 Stat. L., 316), which is as follows:

> That hereafter law books, books of reference, and periodicals for use of any executive department or other Government establishment not under an executive department, at the seat of government, shall not be purchased or paid for from any appropriation made for contingent expenses or for any specific or general purpose, unless such purchase is authorized and payment therefor specifically provided in the law granting the appropriation—

the Comptroller has held that no books or documents necessary for use in the Census Office can be paid for out of the appropriation for the Twelfth and subsequent censuses, because the act does not specifically provide for their purchase. The Director recommends that such legislation be had at the earliest practicable date as will enable him to purchase books of reference and documents which are necessary for the proper administration of the work of his office.

It is estimated that there will be required for the purpose of taking the census over 50,000 enumerators, 2,500 clerks, and over 2,000 special agents. The clerical force has been apportioned to the various States and Territories on a population basis, and an examination of every applicant to test his or her capacity for the special work is required. The entire office force now numbers 182, most of whom are women employed as skilled laborers in doing preliminary work. The appropria-

tion for the Twelfth Census was $1,000,000, of which, on the 31st of October, 1899, there remained an unexpended balance of $896,853.12.

The records of the several censuses, from the first to the tenth, inclusive, are substantially bound in book form and stored in the Patent Office building; and those of the Eleventh Census, which as yet have not been bound, are in a building known as Marini's Hall, in this city, leased for that purpose. During the year the attention and care necessary to the preservation of these valuable records has been given, and information compiled therefrom has from time to time been furnished to various applicants throughout the country. The population and other schedules of the Eleventh Census are unbound, and in their present condition the greatest care has to be exercised in handling to prevent mutilation or loss. If, therefore, it is intended to preserve these valuable records, adequate appropriation should be made by Congress at an early day for their binding.

THE GEOLOGICAL SURVEY.

The work of the Survey in its several branches and divisions was actively prosecuted throughout the year under a general plan of operations approved July 5, 1898.

In the geologic branch 34 parties carried forward the work, operating in 25 States and Territories, including Alaska. In addition to the general work in areal or surficial geology, special studies were continued in the Lake Superior iron region, the coal area of West Virginia and Kentucky, the coal basin of Indian Territory, the gold district of the northern portion of the Black Hills, the San Juan gold district of Colorado, the mining district adjacent to Hailey, Idaho, the gold belt of California, and portions of the vast and almost unknown region in Alaska south of the Yukon. In April, 1899, two strongly equipped parties sailed for Alaska, one to explore the region between the Tanana and the Yukon, and the other to begin the survey of the great area about the head waters of the Koyukuk River north of the Yukon.

A summary of the results of these surveys, with other data compiled from various sources, and with a general map of Alaska and nine special maps showing the new territory surveyed, has already been published by the Survey, and the full report will be published soon as Part VII of the Twentieth Annual Report of the Bureau. Explorations and surveys in Alaska are conducted under the most adverse conditions, and great credit is due the chiefs and other members of these surveying parties who have added so much to our knowledge of the Territory.

The paleontologists were unusually active during the year, assisting the geologists in the determination and correlation of geologic formations, and giving attention to some of the most important problems connected with the deposits of coal in the Coal Measures and with the horizon of underground waters.

Owing to the limited equipment of the chemical laboratory, the chemists have devoted their energies mainly to analyses of rocks and ores for the information of the geologists.

As in previous years, the division of hydrography was engaged mainly in the measurement of streams, but a considerable portion of its energies was devoted to investigations of underground and artesian waters and to the preparation and publication of reports.

Brochures on the mineral resources of the country, each treating of a distinct mineral, were prepared and published, as heretofore, in advance of the volumes containing the whole. As a result of exceptional effort and energy, it is believed that these statistics will reach the public earlier this year than in former years.

In the topographic branch attention was given to the survey of the forest reserves and to advancement of the triangulation and topographic mapping in 31 States and Territories. During the year 26,380 square miles were covered by detailed topographic mapping. It was found that Mount McKinley, in Alaska, had been placed on the maps some 50 miles too far north, and that it is about 20,500 feet in height, making it without doubt the highest point on the North American continent. In the office the drawing of 65 atlas sheets was finished, making them ready for the engraver.

The survey of the forest reserves was advanced as rapidly as possible during the short space of time in which such work could be carried on in the high altitudes in which most of the reserves are situated. In connection with the preparation of the topographic map, 5,314 miles were surveyed on the 2-mile scale, and 708 miles on the 1-mile scale, in addition to the running of 1,145 miles of lines in connection with the land surveys. The study of the forests and woodlands—their distribution, the size and density of the timber, the distribution of the leading economic species, the damage inflicted by fires, the amount of dead timber, the extent to which the forests are pastured, the amount of timber already cut, and the effects of deforesting, the relations of timber supply and transportation, the local demands of miners and settlers, and the supply needed for more distant markets—was carried forward by special forest experts. The examinations by the forestry experts were completed in the Flathead Reserve of Montana, the Bitterroot Reserve of Idaho, the Pikes Peak, Plum Creek, South Platte, White River, and Battlement Mesa reserves of Colorado, 1,500 square miles of the Mount Rainier Reserve of Washington, and 500 square miles of the Olympic Reserve of Washington, and reports were made on the same.

The forest policy of the Department and the operations thereof during the year are more fully discussed under the head of "Forestry" in that portion of this report relating to the General Land Office.

Special attention is called to the proposition to organize a division of mines and mining in the Geological Survey. It seems desirable that

there should be a clearly defined representation of the mining interests of the country in the organization of the Government, for the purpose of gathering and publishing statistics relating to mines and mining, including the statistics of gold and silver as mineral products from each State and district, in addition to the statistics now gathered by the Director of the Mint, as well as statistics in relation to labor employed and wages earned in mines and mining. A full statement on this subject will be found in the report of the Director of the Survey.

A large number of publications were issued by the Survey during the year, comprising six series, annual reports, monographs, bulletins, water supply and irrigation papers, geologic folios, and topographic folios and atlas sheets. In addition to these the Survey prepared and published, in compliance with a joint resolution of Congress, an edition of 40,000 copies of the brochure and maps of Alaska mentioned in a preceding paragraph.

In August and September the Director of the Survey visited some of the Northwestern States, under instructions of the Department, and made an examination of the Yellowstone and Teton timber reserves and the region to the south, with a view of submitting recommendations concerning the Teton Reserve.

EDUCATION.

The report of the Commissioner is replete with data regarding education in the several States and Territories for 1897–98, with a review of the status of education in Porto Rico, Hawaii, and the Philippines. Interesting comparisons are drawn between the condition and progress of school education in this country and abroad.

The various divisions of the Bureau accomplished a large amount of work during the fiscal year. The number of statistical schedules sent out was 38,094; returns received, 14,859. The letters received by the division of correspondence and records amounted to 14,372; letters written, 13,168; documents sent out, 122,567. The total number of books received, entered, and catalogued, etc., by the library was 2,853. A history of education in the South and a digest of school laws of all the States were prepared by specialists.

The aggregate enrollment in the common schools (those supported by public taxation), it is stated, exceeded the enrollment of the previous year by 386,144.

The number of pupils in the elementary grades of the public schools was 14,589,036, while the number in the elementary grades of private schools was 1,249,665. The number of students receiving secondary instruction in the public high schools and in the preparatory departments of public colleges and public normal schools was 459,813, while the number of secondary students in private high schools and academies, in the preparatory departments of private colleges and private

normal schools, was 166,302. The number of students receiving higher instruction in universities and colleges was 29,728 in public institutions and 71,330 in private institutions. The number in schools of medicine, law, and theology was 8,096 in public institutions and 46,135 in private institutions. The number in teachers' training courses in public normal schools was 46,245 and in private normal schools 21,293. The grand total in all schools—elementary, secondary, and higher, public and private—for the year was 16,687,643; this, compared with the aggregate for the year 1896–97, shows an increase of 532,550.

A little more than one fifth of the entire population was enrolled in school. The total amount of schooling received per individual on an average for the United States, on the basis of the returns for 1898, is five years, of two hundred days each.

It is stated that there has been an increase of 3,924 in attendance on colleges and universities, and that a larger number than heretofore of the students of colleges and universities have taken up post-graduate work, indicating that the people are feeling the necessity of special studies in scientific and professional lines. Taken in connection with the fact that the United States is coming into more intimate relations with the people of Europe and Asia, the value of special studies in science, sociology, politics, jurisprudence, and similar studies with a view to acquiring expert knowledge, is obvious.

During the year there have been maintained in Alaska, under the immediate supervision of the Bureau, 14 public schools in which no distinction is made on account of race or color of the pupils. In addition to these schools there was established in southeastern Alaska 5 schools for the exclusive use of white children. The enrollment in all was 1,358 pupils, with 22 teachers. The influx of miners into the District of Alaska has rendered it desirable to establish white schools at other places and to enlarge two of the schools already established.

In order to place the several school districts established for white children on the basis of local self government as far as possible and to interest the citizens there in the work of administration, local committees were organized as long ago as 1891 in Sitka, Juneau, Douglas, Fort Wrangel, Kadiak, Unga and Unalaska. At Metlakahtla a most intelligent supervision of school matters has always been exercised by Mr. William Duncan, founder of the colony of Indians that occupies that island.

The Sitka Industrial School, founded by the missionary board of the Presbyterian Church, has accomplished excellent work in educating the children of the Indian and Eskimo tribes, particularly in industrial arts. Five of the teachers of this school have been provided by the Government and their salaries paid from year to year from the appropriations for schools in Alaska.

Other schools, under various denominations, Congregationalists, Methodists, Roman Catholics, Moravians, Swedish Evangelical, have

either been supplied a Government teacher or (as in the earliest times up to 1894) paid an allowance per pupil.

The introduction of reindeer from Siberia into Alaska, which was inaugurated by the Department some years ago, has proved successful. These animals are used in connection with the schools and are an important factor in the industrial education of the native children. The latter are instructed in the art of herding the deer and training them to harness. It is desirable that herds of deer be attached to all the Government schools, so that a practical knowledge of the methods of training and herding these animals may be conveyed to all the native children.

Something like 2,000 deer were reported in the fall of 1898 as the resultant increase from about 600 imported from Siberia. The annual increase of a herd has been from 40 to 60 per cent, and a herd of 5,000 should furnish 2,000 fawns each spring. If the Government possess 5,000 of these animals, the annual increase could easily be made to furnish the needed herds for the remaining stations in northwestern Alaska.

The Commissioner states that for—

> The past six years the annual appropriation for the education of children in Alaska has been $30,000, increased yearly since 1895 by the sum of $5,000 from the Indian appropriation bill. By strict economy it has been possible with these amounts to support the present school system. Within the past three years thousands of white men have settled in Alaska, many of them taking their families with them. The population of the older settlements has largely increased and several new towns have sprung up which are clamoring for school facilities.

In order to provide school facilities which shall approximate the present needs of the increasing population of Alaska an annual appropriation of at least $60,000 is an imperative necessity.

The present status of the educational system of Hawaii is all that can be desired. The school system of the islands has for some years been noted as remarkable for its completeness, even when compared with school systems on the continents of America and Europe.

The total population is placed, in 1896, at 109,020 people. Of these the total number of pupils enrolled in school was 14,522, a little more than 14 persons in each 100 of the population. Of the pupils enrolled 10,568 were attending the public schools of the islands and 3,958 private schools. Thirty-seven per cent of the pupils attending the schools are native Hawaiians; 17 per cent part Hawaiians; only 3 per cent of American parentage, and 2 per cent of British. More than 26 per cent are of Portuguese parentage; of Chinese, 7 per cent; Japan, 4 per cent, and German, 2 per cent.

The population of Porto Rico is reported to be about 890,000, of which 500,000 are white and 390,000 colored. Statistics of the elementary schools in the district for 1898 give 27,936 as the number enrolled for the year One hundred and twenty-five thousand six hundred and

ninety-five children are reported as being of school age. Illiteracy is stated at 87.4 per cent of the white and 86.8 per cent of the colored population. A reorganization of the school system of the district is now in progress.

Many different languages and dialects are spoken in the various islands composing the Philippine group. The Visaya dialect is spoken by 2,024,409; the Tagalo dialect by 1,216,508; and five other dialects are spoken each by over 100,000, namely, the Cebuano, Ilocano, Vical (Bicol), Pangasinan, Pampango.

The Tagales and the Visayas are of the Malay race, and were Christianized in the sixteenth and seventeenth centuries. The number of Christians in these two peoples, together with those in the other tribes of Indians, amount to over 6,000,000.

The school system in force in the islands was organized by Roman Catholic missionaries. The number of graduates from the University of the Philippines is stated to be 11,000.

By an act of Congress approved August 30, 1890 (26 Stat. L., 417), an annual appropriation of $15,000 for the year ending June 30, 1890, and $1,000 additional for each subsequent year until said annual appropriation amounts to $25,000, was made "for the more complete endowment and maintenance of colleges for the benefit of agriculture and the mechanic arts," established in accordance with the provisions of an act of Congress approved July 2, 1862.

Said act requires annual reports to be made to the Secretary of the Interior by the treasurers and presidents of the institutions receiving the benefits thereof and imposes upon the Secretary of the Interior the duty of ascertaining whether the respective States and Territories are entitled to receive the annual installments of the fund.

During the year the reports from the treasurers of the colleges giving instructions in agriculture and the mechanic arts were carefully examined and the disbursements accounted for therein were found to have been in strict conformity with the law. The Commissioner, on the 20th of June last, recommended that the several States and Territories (forty-eight in number) be certified to the Secretary of the Treasury as entitled to the sum of $25,000 each, the same being the installment for the year ending June 30, 1900.

The total disbursements to the States and Territories under this act, for the fiscal year ended June 30, 1899, was $1,152,000. The total disbursements to the States and Territories under this act, up to and including the fiscal year ending June 30, 1900, is $10,402,000.

PUBLIC DOCUMENTS.

The report of the chief of the document division, who is charged with the general supervision of public documents, received for distribution by the Department under the provisions of section 92 of act of

January 12, 1895, shows that during the year publications of the Government were received and distributed by the several offices and bureaus of the Department as follows:

	Received.	Distributed.
Office of the Secretary	115,362	79,323
Patent Office	426,732	381,866
General Land Office	111,800	159,575
Pension Office	7,125	8,279
Office of Indian Affairs	9,300	5,710
Office of Commissioner of Railroads	2,000	1,559
Bureau of Education	59,847	67,362
Geological Survey	568,518	277,271
Total	1,300,684	980,945

Of the documents received by the office of the Secretary, 10,000 were publications of the Eleventh Census, 19,200 bulletins and monographs of the Geological Survey for distribution to depositories of publications of the Survey, and 24,495 maps of the United States, of which 4,664 copies were delivered to the Senate and 9,360 copies to the House of Representatives, in compliance with the provisions of act of February 19, 1897, authorizing their publication and distribution.

The publication of the Statistical Atlas, based upon the results of the Eleventh Census, a large folio volume received during the last year, completes this important series, which contains in all forty volumes, viz: The Abstract, 1 volume, octavo; the Compendium, 3 volumes, quarto; Final reports, 25 volumes, quarto; Monographs, 10 volumes, quarto; the Statistical Atlas, 1 volume, folio.

The first volume of the series published, the Report on Mineral Industries, was received from the printing office October 25, 1892. The delivery of the last, the Statistical Atlas, was completed by the printing office June 17, 1899. The Statistical Atlas is a notable example of cartagraphic work, enabling one almost at a glance to comprehend the general results of the census as they are presented in the several most skillfully adapted charts which form the volume. The number of copies issued of these several volumes, including the "reserve number" edition, aggregates 700,460, containing a total of 534,282,390 printed pages and 11,687,646 plates, chiefly of quarto size. In the distribution of these reports complete sets of the several volumes, excepting the Monographs, have been supplied to 3,493 libraries and newspapers in the United States and to 101 in foreign countries, in addition to depositories of documents numbering nearly 500, to which they are sent by the Superintendent of Documents from the leather-bound edition. They have thus been brought within the reach of the public in every section of the country.

Three hundred and seventy-six copies each of volumes 170 to 173, United States Reports, were delivered to the Department by the

reporter of the Supreme Court, in compliance with the provisions of section 681 of the Revised Statutes and of act of February 12, 1897, which have been distributed to judicial and other officers of the Government entitled to receive them. It was confidently expected that Congress would take favorable action at the last session upon the bill then before it, providing for the further distribution of United States Reports to executive and judicial officers of the Government requiring them in the discharge of their official duties. As, however, this was not done, the urgent recommendations of my predecessors in the premises are repeated.

The compiled statutes of the District of Columbia has been distributed to such members of the Fifty-fifth Congress not previously supplied with the volume as were not reelected and to such officers of the Government requiring it in the discharge of their official duties as have applied for it, in compliance with the provisions of a joint resolution approved February 27, 1899. The remaining distribution under this resolution will be made immediately after the convening of Congress.

Of the publications issued by the Department during the past year one of the most valuable is the wall map of the United States, prepared under the direction of the Commissioner of the General Land Office. Upon this, in addition to other features usually characterizing such maps, are shown by clearly defined boundaries the several acquisitions of territory upon this continent by the United States Government, as determined after an exhaustive investigation by the present Commissioner. A copy of this map might well find a place in every public school building of the country.

The sum of $1,769.12 was received from the sale of documents during the year by the Office of the Secretary, and $4,348.32 by the Geological Survey, which is an increase over the amount received during the prior fiscal year of $263.45 for the Office of the Secretary and $151.48 for the Geological Survey. A large sum was also received by the Patent Office from the sale of its own publications, but this is not separately shown in the report of the Commissioner of Patents giving the receipts of his office.

The Official Register of the United States (Blue Book), containing a list of all employees of the Government of the United States, with their compensation, etc., for which appropriation was made in the act of Congress approved March 3, 1899, has been completed and will be ready for delivery to Congress at the opening of the session; heretofore the previous works of this description have not been delivered until after the 1st of January each year.

This work has been compiled under the immediate supervision of the chief clerk of the Department, as required by existing law, and great credit is due him for the expeditious and very satisfactory manner in which the duty imposed upon him has been executed.

OFFICE OF RAILROAD AFFAIRS.

The operations of the last fiscal year and the present condition of the several railroad companies which have received subsidies in bonds and grants of land from the United States are set forth in the report of the Commissioner of Railroads.

The Commissioner calls attention to the phenomenal increase in railroad traffic in the last two years, amounting approximately in increased net earnings in 1898 over 1897 to $23,000,000, and in 1899 over 1898 to $9,000,000, the increase being only limited by the lack of cars to carry products.

He shows that during the ten months of this calendar year 2,700 miles of new track have been laid in the United States. He reports that an inspection was made, in accordance with law, of the Chicago and Northwestern Railway, the Northern Pacific Railway, the Southern Pacific Railroad of California, the Central Pacific Railroad, and several other subsidized roads. Substantial improvements have been made in the main lines; heavy steel rails have taken the place of iron rails, wooden bridges have been replaced by iron and steel ones, and the ballasting has been much improved.

Under the head of "Bond-aided roads" he again sets forth the set-settlement of the indebtedness of the Union Pacific, showing that the pecuniary interest of the Government in this road was terminated on November 1, 1897, when the road was sold for $58,448,233, which has been paid to the United States. The Kansas Pacific was sold to the same parties that purchased the Union Pacific, on February 16, 1898, the sale realizing to the United States the sum of $6,303,009, leaving a balance due the Government on account of this road of $6,588,900.19, as stated in the last report.

The sequestration suit against the receivers of the Union Pacific Railway Company was prosecuted during the year to a satisfactory conclusion, the claim of the United States against certain funds in the hands of the receivers being upheld. By decree, $821,897.70 was recovered and paid into the United States Treasury, which amount was credited against the deficiency mentioned above as due on account of the Kansas Pacific, leaving the indebtedness to the United States, $5,767,002.49.

CENTRAL PACIFIC.—The Commissioner treats of the steps taken by the commission, consisting of the Secretaries of the Treasury and Interior and the Attorney-General, appointed by Congress to effect a settlement with this company, and sets forth the agreement in full. The plan of settlement as quoted below is being fully carried out.

The settlement is made as of the 1st day of February, 1899, at which date the amount due the United States for principal and interest upon its subsidy liens upon the Central Pacific and Western Pacific railroads amounted to the sum of $58,812,715.48, that being the full amount necessary to reimburse the United States for the moneys paid for interest or otherwise in aid of the construction of said railroads.

Said indebtedness is, by the agreement of settlement, funded at the amount aforesaid into twenty promissory notes, dated February 1, 1899, payable, respectively, on or before the expiration of each successive six months for ten years, each note being for the sum of $2,940,635.78, which is one-twentieth of the total amount due. Said notes bear interest at the rate of 3 per cent per annum, payable semiannually, and have a condition attached thereto to the effect that if default be made in any payment of either principal or interest of any of said notes, or any part thereof, then all of said notes then outstanding, principal and interest, shall immediately become due and payable, notwithstanding any other stipulation of the agreement of settlement.

It is further provided that the payment of the principal and interest of said notes shall be secured by $58,820,000 of face value first refunding mortgage 4 per cent gold bonds, to be hereafter issued by the Central Pacific Railroad Company or its successor having title to the railroads now owned by said company and specified in said agreement, such bonds to be part of an issue of not exceeding $100,000,000 in all.

Said bonds are to be secured by a mortgage upon all railroads, equipments, and terminals now owned by said Central Pacific Railroad Company, which mortgage shall be the first lien upon such property, or shall be secured by the deposit as collateral security therefor of certain percentages of the now outstanding bonds upon said property, or the different divisional parts thereof. The form of such mortgage is subject to the agreement of the parties to said agreement of settlement, and has been approved by the Attorney-General.

The agreement further provides that Speyer & Co., who are a party thereto, shall, within one month after the delivery to the United States of the settlement notes, accept from the Secretary of the Treasury the four earliest maturing notes, and pay to the United States the face value thereof, with accrued interest thereon to the date of payment, without recourse further than that Speyer & Co. shall, until the delivery of the refunding bonds as collateral, be entitled to share pro rata with the United States in the lien and all proceeds of the lien in favor of the United States to secure said indebtedness.

The said agreement was submitted in writing to the President and approved by him on the 15th day of February, and the said promissory notes have been duly delivered to the Treasurer of the United States.

Other provisions and particulars of said agreement will appear by a perusal thereof, to which reference is respectfully made.

The execution of the agreement was duly authorized by a resolution of the board of directors of the Central Pacific Railroad Company, and approved by the formal action and consent of a large majority of the stockholders.

Sioux City and Pacific.—The gross earnings of the aided portion of this road for the year ended December 31, 1898, amounted to $535,073.86, and the net earnings to $189,771.68. The requirement was 5 per cent of the net earnings and one-half of the Government transportation, which amounted to $24,604.65, while the Government paid out in interest on the bonds advanced to this company the sum of $97,699.20 during the corresponding period. The total indebtedness of this company to the Government on June 30, 1899, was $216,926.06.

Central Branch Union Pacific.—This road was sold under foreclosure proceedings brought by the trustees under the first mortgage; it was sold for $2,350,000, the proceeds of the sale going to cover the

principal of the first-mortgage bonds and the accrued interest thereon. It will be observed that in this transaction the United States, holder of the second or junior lien, received nothing by way of reimbursement for the indebtedness of the company, which amounts to $3,758,854.13. The Commissioner states that he has been informed by the Attorney-General that no proceedings have been taken with reference to this indebtedness of the company to the United States.

THE TERRITORIES.

ALASKA.

The governor of Alaska, John G. Brady, in his report sets forth in detail the condition of affairs in the district under his supervision during the past year, presenting interesting statistics as to its industrial growth, etc. The development of the mining industries, especially in southeastern Alaska, has caused a great increase in the population, but it is not possible to speak with any degree of accuracy as to the number of persons. The natives in many places are on the increase and in others are declining. It is estimated that there are about 31,064 natives and Russian creoles. The white population is scattered throughout the district, and 24,000 is regarded as a very conservative estimate, making a total estimated population of about 55,064.

The census will be taken in 1900, and the Director of the Twelfth Census, appreciating the value of accurate information concerning Alaska, has already taken the matter up, dividing the Territory into two districts and assigning them to superintendents who have been in the country during the past year making necessary arrangements for the enumeration of the population. In the next annual report reliable statistics may therefore be expected as to the population of Alaska.

The salmon canning industry is of immense value, but the laws which should regulate it are variously interpreted, and therefore difficult of enforcement. The inspectors can only visit a few canneries located at the ordinary stopping places of the mail steamers, and while there, owing to the lack of accommodations, are to a great extent dependent upon the courtesy of the representatives of the cannery companies. Adequate and independent means of transportation are essential to the proper discharge of their duties.

The wholesale use of fish traps is seriously depleting the salmon streams. Laws should be enacted regulating the industry, and salmon hatcheries under the supervision and control of the United States Fish Commissioner should be established. The policy of employing Chinamen, Italians, Portuguese, and Norwegians, who are annually brought from San Francisco for the packing season, is deprecated, and the policy is advocated of the managers of the canneries employing native Alaskans wherever they can be relied upon.

The pack last year was 974,601 cases, 20,518 barrels, and 4,300 half barrels, valued at $3,544,128. That for this year is estimated at 1,000,000 cases and 15,000 barrels, which, at a valuation of $4 per case and $8 per barrel, would amount to $4,120,000.

The cod, herring, eulachon, and halibut fisheries are in a flourishing condition and net a good revenue.

The fur industry was formerly most remunerative and received great attention in the district. Before the advance, however, of the prospector and the miner wild animals give way. It is not possible to give definite numbers of the kinds of fur, except the skins of fur seal and the sea otter. The latter animal is disappearing rapidly; the catch for the whole season was not over 150 skins. There are many bears, brown, black, and polar, in the country; beavers, lynx, and wolverines and squirrels are plentiful, and the red, white, blue, cross, and black foxes are quite numerous. The blue fox is easily domesticated.

Pelagic sealing still continues in Bering Sea in spite of the vigilant patrol maintained by the revenue cutters. In order to prove the proprietary right of the United States in the seals the branding of them should be continued. Hitherto the branding has been done with inferior apparatus, and consequently is not very effective. Men who are experts in the business should be employed to do this work and be supplied with the most recent electrical appliances for branding, such as those used by the stockmen on the Western plains of the United States.

The North American Commercial Company has under its contract with the Government taken about 16,520 seals during the year. It has kept the natives well housed, their tenements in good condition, their schools in good running order, and the widows and orphans of their native employees have been properly cared for.

The islands and mainland of southeastern Alaska are covered with dense forests of spruce, hemlock, and cedar, and there are forests of coniferæ along the rivers of the interior. The trees along the Yukon, Tanana, and Koyukuk rivers attain the size of 2 feet in diameter. Many lumber mills are in operation throughout the district, and the amount of timber said to be wasted is very great. Large numbers of huge trees are blown down and are left to decay where they have fallen. Opportunity should be given to the citizens to purchase this timber at a nominal price. The principles of forestry should be applied to the forests of Alaska.

Attention is called to the agricultural possibilities of the country, and numerous instances are cited proving that vegetables can be successfully cultivated throughout southeastern and western Alaska, as well as along the Yukon Valley. Grazing lands abound in the milder sections of the district, and the prediction is made that southern Alaska will become a great stock-raising country.

The subject of gold mining is treated at considerable length. The placer mines in the vicinity of Eagle City, in the Forty-Mile and Birch

Creek districts of the Upper Yukon on the American side of the international boundary line, which were left almost deserted by the stampede to Dawson, are again being extensively developed; there has also been great activity in the Rampart City, Koyukuk, and Porcupine districts. The output from these districts is estimated at $1,450,000. Recent discoveries of gold near Cape Nome, 75 miles from Golofin Bay on the Bering Sea, has caused a large influx of people into that district from St. Michaels and elsewhere. The gold is found in the sands of the beach in paying quantities. Over 1,500 men are at work among these beach diggings, averaging $20 a day, and it is estimated that the product of the beach by the end of September would amount to $1,000,000. This wonderful discovery of rich sands upon the beach between the high and low water marks brings up an interesting and important question. By section 2 of the act approved May 14, 1898, it is provided:

> That nothing in this act contained shall be construed as impairing in any degree the title of any State that may hereafter be erected out of said district, or any part thereof, to tide lands and beds of any of its navigable waters, or the right of such State to regulate the use thereof, nor the right of the United States to resume possession of such lands, it being declared that all such rights shall continue to be held by the United States in trust for the people of any State or States which may hereafter be erected out of said district. The term "navigable water," as herein used, shall be held to include all tidal waters up to the line of ordinary high tide and all nontidal waters navigable in fact up to the line of ordinary high-water mark.

A miner, having no legal right under this law to a claim located upon the beach, the governor suggests that by appropriate legislation the Secretary of the Interior be authorized to grant leases of portions of the beach for mining purposes.

The progress during the year in the gold quartz mining industry is stated to be most gratifying. Well-established gold mines exist on Douglass Island; at Silver Bay Basin, near Juneau; Sheep Creek; Berners Bay; Ketchikan, and near Unga, on the Shumagin Islands. The most extensive of these are the plants of the Alaska Treadwell Gold Mining Company, the output of which for the year was 250,108 tons, yielding $8,566,523, and the Alaska United Gold Mining Company, the output from which was 162,457 tons, yielding $375,882.36.

Copper is found in the region north of Mount St. Elias, Prince William Sound, Prince of Wales Island, and on the Copper, Tanana, and White rivers; cinnabar on the Kuskokwim River, and platinum on the Disenchantment Bay, near Yakutat.

The Alaska Commercial Company and the North American Trading and Transportation Company have been mining coal in the district and used it during the past season upon their steamers on the Yukon River with better results from steaming with coal than with cord wood. Coal in sufficient quantities to supply local wants has been found at Chignik Bay, Admiralty Island, and at Anchor Point and Cook Inlet.

The laws for the purchase of coal lands have not yet been extended

to the district, but it would seem advisable to do so at the earliest opportunity.

One thousand three hundred and fifty-eight children were enrolled in the 19 schools maintained during the year—312 in the 5 schools for whites exclusively and 1,046 in the 14 schools for natives. The management of the schools and the introduction of domestic reindeer in Alaska for use in connection with the industrial instruction of the natives having been arraigned in June last in the report of the grand jury for the district of Alaska, the governor gives special attention to these subjects, maintaining that the deer are needed in arctic and subarctic Alaska, and that their introduction and use in the school service is unquestionably a success. The wisdom of Dr. Sheldon Jackson's appointment as agent in charge of education in Alaska is affirmed and the statement made that he is faithfully and conscientiously discharging the duties intrusted to him. The insufficiency of school accommodations is recognized, and it is asserted that that is not due to any failure in Dr. Jackson's management, but is owing to the lack of an adequate appropriation by Congress for education, and the recommendation is made that the appropriation for that purpose be increased from $30,000 to $60,000.

Attention is called to the unique colony of Tsimshean natives, better known as Metlakahtlans, located on Annette Island, which is set aside for their use by section 15 of the act of March 3, 1891. Their progress toward civilization has been rapid, and the advisability of their admission to citizenship—they being aliens—is suggested.

The enforcement of the provisions of the act of Congress approved March 3, 1899, to define and punish crimes in the district of Alaska, and provide a code of civil procedure therein relating to high license, has resulted in the closing of three fourths of the saloons of Alaska and made the smuggling of liquors from British Columbia unprofitable. It has met with the general approval of the people. The total amount of license fees collected was $112,370. Sections 160 and 161 of the act to define and punish crimes in Alaska, which provides for a tax on business trades, it is claimed works a great inequality in taxation, which should be remedied. The governor recommends that the fees received from licenses and the receipts from customs, the latter having amounted during the year to $51,314.17, should be expended on the schools and public improvements in the district of Alaska.

Attention is called to the anomalous condition of the land laws in the district. There are no surveyed lands, nor has any system of surveying been provided, rendering it next to impossible for a poor settler to acquire a homestead. Citizens who have resided in the district for thirty-two years have, as yet, been unable to secure title to the lands they have occupied. If able and willing to stand the expense of the survey, there is no assurance that it will be accepted by the Government. If improvements are made by the settler on the lands, there is no means of telling how future surveys may affect him.

The governor gives well-merited praise to the officers and crews of the revenue cutters in Alaskan waters for the material assistance rendered by them in enforcing the laws, etc. Favorable notice is also taken by him of the efforts of the War Department to discover and open land routes from the Pacific coast into central Alaska over American territory; of the large increase in the postal facilities by the Post-Office Department; of the surveys in progress under the supervision of the Coast and Geodetic Survey; and of the unusual number of prominent men throughout the United States who have visited Alaska to study the situation of the country for themselves. Comment is made upon the completion of the Yukon and White Pass Railway as being a great undertaking in railroad construction. Almost insurmountable obstacles were overcome and the work completed by private enterprise alone, no subsidy having been asked of Congress. Connection was made with the river steamers at Lake Bennett in July of 1899, and since there has been a continuous freight and passenger traffic; as a result freight has been reduced from 40 cents per pound to 3 cents per pound, and the time of completing the journey from many days to but four hours.

Attention is directed to the necessity for providing necessary public buildings in Alaska and for the connection of the district with the United States by cable and telegraph.

Many complaints have been made as to the unlawful and wholesale destruction of the deer in the Territory. These were forwarded to the Department of Justice, and the United States attorney for Alaska, to whom they were referred, reports that warning has been given by public notice to all persons in Alaska against the wanton destruction of game in the district. In view of the fact that the act approved March 3, 1899, to define and punish crimes in the district of Alaska makes no provision for the protection of deer, the district attorney has prepared a draft of an amendment to section 173, chapter 12, of said act, covering the matter, which is herewith submitted with favorable recommendation, to wit:

Every person who shall, within the district of Alaska, between the first day of November in each year and the first day of July of the following year, hunt, pursue, take, kill, or destroy any male deer, or buck, shall be guilty of a misdemeanor. Every person who shall, between the first day of January and the first day of August, from and after the passage of this act, pursue, hunt, take, kill, or destroy any female deer, or doe, shall be guilty of a misdemeanor. Every person who, after the passage of this act, shall kill or destroy any spotted fawn shall be guilty of a misdemeanor. Every person who, after the passage of this act, shall take, kill, or destroy any male or female deer at any time, unless the carcass of such animal is used or preserved by the person destroying it, or sold for food, is guilty of a misdemeanor.

Every person who buys, sells, or has in his possession any of the deer enumerated in this section within the time the taking or killing thereof is prohibited, except such as are tamed or kept for show or curiosity, is guilty of a misdemeanor.

By a Presidential proclamation approved December 24, 1892 (27 Stat. L., 1052), there was reserved from occupation and sale, and set

apart as a public reservation, including use for fish-culture stations, Afognak Island, Alaska, and its adjacent bays, rocks, and territorial waters, including among others the Sea Lion Rocks and Sea Otter Island. This proclamation, however, did not deprive any of the bona fide inhabitants of the island of any valid right possessed under the treaty for the cession of the Russian possessions in North America to the United States. Warning, however, was expressly given therein to all persons not to enter upon or to occupy the tract or tracts of land or waters reserved therein or to fish in or use any of the waters therein described or mentioned, and further warning all persons or corporations then occupying the said island or any of said premises, except under said treaty, to depart therefrom.

The honorable the Secretary of the Treasury forwarded for the consideration of this Department a report of one of his special agents calling attention to the depleted condition of the fisheries in Alaska, the result of the depredations of employees of canneries, particularly upon the Afognak fishery reserve, and expressing a willingness to cooperate with this Department as far as may be practicable in any effort that may be made to protect the Alaska fisheries. The natives are dependent upon their catch of fish for a livelihood, and anything which results in the diminution or depletion of the product of the fisheries seriously affects them. This Department, however, has not been able to suggest any adequate remedy in the premises, for the reason that there appears to be no way to punish trespassers upon the fishery reserve in question except by ejectment from the reservation or by civil suit for damages consequent upon the trespass. If these depredations, however, upon this reservation are to be stopped it can only be accomplished, in my judgment, by providing a penalty for violating the provisions of the Presidential proclamation. I have, therefore, the honor to recommend that a law be enacted under which trespassers on this fishery reserve can be properly punished in the courts for violations of the provisions of the proclamation setting the reservation aside.

ARIZONA.

The governor, N. O. Murphy, reports that the Territory is remarkably prosperous. As nearly as can be estimated from the school census, completed in July of this year, Arizona's population exceeds 100,000 people, and it is confidently believed that the general census of 1900 will sustain this estimate. The probable increase within the year has been upwards of 5,000, very evenly distributed throughout the Territory, the mining districts probably receiving the major share, although the agricultural valleys have gained. The citizens of Arizona are industrious, intelligent, patriotic, and brave—such people as make up the bone and sinew of the nation. The nationality of the late immigrants can not be reliably determined until after the census is taken, but it is safe to say that a large majority are Americans, from all parts of the Union, principally from the North and Middle West.

The net bonded and floating indebtedness of the Territory July 1, 1899, amounted to $948,176.32, which is an increase over last year of $74,776.69. The increase is because of the issuance by the Territory of $100,000 of bonds with which to erect a capitol building.

The assessed valuation of taxable property is $32,509,520.29, an increase of over a million dollars during the year. This very material advance has been made notwithstanding that under the present system a large amount of the taxable property is not returned to the assessors and the values of the property assessed are usually very low, which causes a higher rate of taxation than would be necessary were all the taxable property properly assessed and valued. As the community grows older and the disadvantages arising from the present system of low valuations and high rates of taxation are better understood by the people generally, and when Statehood and self-government are attained, the laws will no doubt be so altered as to secure approximately full and correct returns of all property in the Territory subject to taxation. When assessments are had upon a just and equitable system of values the rate will be as low in Arizona as in any of the States. A commission authorized by the last legislature is engaged in codifying the Territorial laws, and will no doubt remedy defects in the revenue system.

Of live stock there were assessed during the year 41,546 horses, at $19.38 per head; 369,876 cattle, at $10.43 per head; 450,074 sheep, at $2 per head; 19,620 goats, at $2.05 per head; 7,882 swine, at $2.91 per head; 1,639 asses, at $6.49 per head, and 1,281 mules, at $27.30 per head.

Nine hundred and ninety-nine miles of railroad were assessed at an average valuation of $4,191.19 per mile, which is exceedingly low. There are 454 miles of railroad in the Territory untaxed, being exempt for a term of years under Territorial laws. Four million one hundred and seventy-nine thousand and twelve acres of land are taxed at an average value of $1.56 per acre. This particularly low valuation is because of the large unproductive acreage embraced in grants. Of the total area of the Territory, embracing over 72,500,000 acres, but a comparatively small portion—approximately 5,000,000 acres—are arable land, which, however, is a greater area than is embraced within several of the smaller States of the Union.

Of the lands now reclaimed and under cultivation in Arizona, nearly 300,000 acres are in the Salt River Valley, Maricopa County, which has become famous for its richness and is compared with the valley of the Nile. Irrigating canals are being projected in different parts of the Territory; also water storage reservoirs which, when completed, will add largely to the agricultural area. There is considerable farming by irrigation in Yuma, Graham, Pinal, Pima, Navajo, and Apache counties. The governor argues that irrigation and the reclamation of the so-called arid lands within Arizona are of paramount importance, and strongly urges the cession of the public lands to the Territory, claiming that it would be the quickest, best, and most satisfactory way

to secure reclamation and occupancy of the arid portion of the country. He presents the matter forcibly and his conclusions are worthy of consideration.

Of the many agricultural and horticultural products much attention has been given to the cultivation of sugar beets, date palms, melons, cotton, tobacco, sugar cane, etc. Almonds and peanuts are profitable crops. Among the staple crops are alfalfa, wheat, corn, barley, oats, oranges, lemons, and apricots. Nearly all varieties of root crops are grown in the Territory, and in many of the valleys throughout the mountains enormous crops of potatoes are raised. Market gardeners in the vicinity of the larger towns and villages grow vegetables every month of the year.

Arizona has over 6,000 square miles, or nearly 4,000,000 acres, of pine timber land, and its resources for lumber and building material are not surpassed, if equaled, anywhere in the United States.

Live-stock interests are flourishing, and the grazing industry is very profitable. The mining industry the past year has been the most prosperous in the history of the Territory, and the year's record demonstrates that Arizona is sure to become the greatest and most profitable mining section in the country. Especial attention is given to this industry, and the report of Prof. W. P. Blake, Territorial geologist, is thorough and exhaustive, and contains valuable and instructive information. In copper mining, in the increased capacity of copper smelters, in the location and development of new discoveries, and in the influx of Eastern capital for the purchase of copper mines and prospects, the year has been remarkable. On account of the prominence which Arizona has achieved as a steady producer of the precious metals, and the certainty that the production will be augmented in the future, the Governor urges that a Government assay office and branch mint be established in the Territory.

The schools of Arizona are excellent and prosperous. The system is modeled after California. The common schools are divided into primary, grammar, and high schools. A uniform system of text-books is adopted and their use is compulsory. The teachers in charge of the schools number 373, there being 251 women and 122 men. Of the total number 120 are graduates of normal schools. The average monthly salary paid men is $74.70, and women $64.10. The total of the school census shows a marked increase during the year. Arizona has two prosperous normal schools and a first-class university, thoroughly equipped and successful as an educational institution of the highest order.

The Indians on the various reservations have been quiet throughout the year, and there is every reason to believe that Indian depredations and disturbances of consequence within the Territory are permanently at an end. One of the gratifying features of the situation is the substantial progress toward civilization which is being made by the Apaches, long considered incorrigible. This is especially true of the San

Carlos Apaches. The construction of a railroad through their reservation has had manifestly beneficial effects. It is possible to further improve the conditions on that reservation by developing a better water supply in the valley of the San Carlos River, affording opportunities for more extensive agriculture, an industry for which many of the tribe are showing commendable aptitude. Employment on their own farms, seconded by the influence of the Indian schools, would ultimately raise this tribe to a fair degree of civilization. For the Indians on the Gila River Reservation, who have followed agriculture exclusively for a long time, the governor recommends that a storage reservoir be constructed on the Gila River, in order that the large number of Indians on that reservation may have adequate water for irrigation and remain permanently self-supporting. An added argument in favor of the proposed reservoir is the fact that its construction would reclaim a large area of land not needed by the Indians, which could be sold to white settlers.

The governor recommends that all the lands within the Territory be surveyed, especially the railroad-grant lands, so that they may be taxed; that all the public lands within the Territory be ceded to the Territory, and until such action is taken that Congress grant authority to lease the grazing lands; that the act of Congress of June 27, 1866, granting the right of way to the Atlantic and Pacific Railroad Company, and exempting said right of way from taxation in Territories, be so amended as to permit the taxing of track and superstructures on the right of way; that the salaries of the Federal judges be increased, and a fifth judicial district be created; that a commission be appointed for ethnological and archæological research in the Territory, and that a suitable appropriation be made by Congress therefor; that appropriation be made by Congress to pay the governors and secretaries of Territories the salaries allowed them by law (sec. 1845, Rev. Stat.); and concludes by a strong appeal for Statehood and self-government.

NEW MEXICO.

The report of the governor, Miguel A. Otero, shows the growth and development of the natural resources of the Territory during the past year to have been substantial. New Mexico contains nearly 79,000,000 acres. Of these there are about 24,000,000 acres contained in land grants, Indian and military reservations, railroad grants, and Government entries, which leaves available an area of about 55,000,000 acres of land, capable of supporting an immense population running up into the millions. The total population of the Territory is estimated at 285,829, of which 25,329 is Indian. The total assessed valuation of the real and personal property was $40,124,724.79; the total Territorial indebtedness was $2,997,665.12.

There are 1,693 miles of railroad actually constructed within the Territory, owned and operated by eleven different corporations, 290 miles of which were built during the past year.

Mines of copper and gold are being developed in a remarkable manner; more capital has been invested in their development during the past year than previously, especially in Grant, Otero, Bernalillo, and Santa Fe counties.

The wool and sheep industry continues to be the most important in the Territory. The wool grown is of a diversified character, scaling from the finest Delano-Merino to the coarsest carpet. Half of the wool clip, it is stated, is clear profit to the grower. The vast production of wool has resulted in establishing other important industries within the Territory, large plants for scouring wool, and two wool-pulling plants, one of which is engaged in tanning leather. These plants furnish a home market for the wool growers.

Attention is called to the fact that thousands of acres of wild lands are to be had in the Territory by complying with the United States land laws, much of which is contiguous to water and is desirable for colonization purposes when ditches and water storage reservoirs are provided. Through the action of the land court titles to vast tracts have been cleared up and settled. Some millions of acres have been confirmed by the courts to private ownership, while, on the other hand, an equal acreage has been rejected, so far as the grant claimants are concerned, and the land added to the public domain subject to entry.

Considerable progress has been made in the reclamation, by means of irrigation, of arid lands, and the governor states that there are still many opportunities for the investment of capital in irrigation projects which can not fail, under good management, to bring profitable returns. It is stated that in the northwestern portion of the Territory there are 200 miles of ditches watering 24,000 acres, and, in addition, there are several tracts of fertile soil accessible to streams which afford ample water supply, awaiting the attention of capitalists. Extensive ditch systems are in operation in the Mimbres region of Grant County. In other portions of the Territory the Springer system of irrigation is in use, with 50 miles of ditches and 5 reservoirs, covering 22,000 acres, and the Vermejo system, controlling 57 miles of ditches and 10 reservoirs, supplying 30,000 acres.

These projects, it is stated, are in the four corners of the Territory, while in the great central portions there are more than 50 companies organized for irrigation projects. Several plants are in operation, and afford the home seekers ample opportunity for settlement and reclamation of lands.

Agriculture generally is on a most satisfactory basis in the Territory. The cultivation of the sugar beet is on the increase, the soil and climate being peculiarly favorable for the purpose. Horticulture is receiving considerable attention.

Public education is making encouraging progress. The total average daily attendance for the Territory is 20,273 pupils, counting attendance at the sectarian schools as well as the public schools and at the higher

educational institutions. The number of pupils enrolled in the public schools of the Territory during the last school year was 23,961, which, added to the number attending sectarian schools, brings the number of children attending school in the Territory up to 26,776.

The University of New Mexico has had a prosperous year, and so has the military institute, "the youngest and most thoroughly typical of all the Territorial institutions." The school of mines is doing excellent work of a scientific character. The Santa Fe Industrial School, created an Indian normal school in 1894, is accomplishing wonders in the way of Indian instruction in practical arts. The College of Agriculture and Mechanic Arts is in a flourishing condition.

The remarkable transformation of the Indian tribes of the Territory from semibarbarism to a reasonable degree of civilization is commented upon by the governor. Especially has this been the case on the Mescalero Apache Reservation in southern New Mexico. These Indians have been made almost self-supporting by the methods inaugurated by Lieutenant Stottler while in charge. Their ranches compare very favorably with the ranches of their white neighbors which surround the reserve.

The mining industries are reported as being in excellent condition.

The coal trade has been very brisk during the year, and the demand for the coal produced in the Territory has been much greater than the supply. At Madrid and Blossburg the companies could not fill more than two-thirds of orders received, partly on account of not having the mines developed, but mostly on account of scarcity of miners. Otherwise the production would have been many tons greater.

The Territory, the governor states, responded enthusiastically to the call for volunteers for the war with Spain. In the last call made by the President for ten additional regiments for service in the Philippines the Territory furnished 121 men.

The Bureau of Immigration was reorganized during the year and its office moved from Albuquerque to Santa Fe.

Important explorations have lately been made in the Santa Clara Canyon in regard to the famous cliff dwellers, which throw considerable light on the early inhabitants of the region.

The governor earnestly recommends that the compensation of each of the judges of the supreme court be increased to $5,000 per annum, that he be allowed a clerk at a salary of $1,200 per annum, and that an appropriation be made accordingly; also, that the full compensation provided by law to the governor and secretary be included in the appropriation for the Territory.

An urgent appeal is made that the General Government assume the care of the historical old residence of the governors-general under Spanish and Mexican rule known as the "Palace," and now occupied by Territorial officials and by the post-office.

OKLAHOMA.

Governor Cassius M. Barnes, in his annual report, states that the Territory is prosperous in every way, offering great opportunities for the securing of homes and the investment of capital. It is about the size of the State of Ohio and its population is conservatively estimated at 375,000.

The territorial assessors this year return property for taxation valued at nearly forty-three millions, an increase of nine millions over the returns made last year. Property is returned at about 50 per cent of its real value, and only 20 per cent of the farm lands of the Territory are on the tax lists, the balance being still in the name of the Government, the settlers not yet having proved up, yet the territorial tax rate is but 5.2 mills for all purposes. To this is added the local rates in each county, but the total rate is nowhere excessive, and is being yearly reduced in every county.

The Territory has a deficiency warrant indebtedness of $290,000; also a bonded debt of $18,000 incurred the first year of its history to build institutions of learning. There are in the Territory 1,929 organized school districts, all holding from three to nine months' school, and the school population is over 110,000. Every district has a good schoolhouse, and many of the cities have school buildings aggregating in cost from $30,000 to $40,000. The higher institutions of learning are the Territorial university at Norman, normal school at Edmond, agricultural college at Stillwater, Northwestern normal at Alva, and Colored Agricultural and Normal University at Langston, all with fine stone and brick buildings costing from $15,000 to $90,000. The total aggregate attendance of the five institutions is over 1,000 students. There are various religious, sectarian, and private schools and colleges, and also Government Indian schools with an attendance of over 2,000 Indian children.

Over 6,000 quarter sections of school lands, the property of the Territory, are leased and the proceeds used to aid in carrying on the public schools and the higher institutions of learning; the income from these lands is approximately $200,000 per annum; $98,129.72 was distributed to the district schools from this source the past year.

The social and religious conditions existing are about the same as those in the Eastern States; there are nearly 700 churches, over 1,000 Sunday schools, and the church property is valued at over half a million dollars. All fraternal organizations are well represented, social functions of all kinds prevail, and the women's clubs, Chautauqua societies, and literary organizations of various kinds are to be found in every locality.

There are 243 insane in the Territory cared for under contract in an excellent asylum at a cost of $44,676.22.

Notwithstanding the great rush of settlers at the various openings of land in Oklahoma there is still considerable Government land sub-

ject to homestead entry, although such of it as is suited to agriculture is being rapidly taken. During the past year 666,747 acres were taken by settlers, the number of acres open to settlement is approximately 6,338,373.

There are 68 Territorial and 7 national banks with an aggregate capital stock of $954,600; the Territorial banks have a reserve of 65 per cent, and their deposits are $3,022,373—almost double what they were a year ago. The national banks have deposits aggregating $1,623,222.

Fire insurance companies wrote $8,839,556.98 insurance during the past year, collected $167,860.23 in premiums, incurred $24,643 losses and paid $18,001. Life insurance companies wrote $1,729,306 in new policies, upon which they collected $74,516 in premiums, incurred $55,842 in losses and paid $54,842.

There are over 900 miles of railway in Oklahoma, four trunk lines passing through the Territory, besides several shorter connecting lines. About 175 miles of railway were built the past year, four lines are now building, and half a dozen other lines being surveyed, of which three will doubtless be constructed within a year. During the past eighteen months 26 railways were chartered in the Territory with an aggregate capital stock of $102,625,000. All of the towns of the Territory have telegraph or telephone connections.

The commerce of the Territory is great and rapidly growing. Cotton, wheat, and corn are being shipped to South America, Europe, and even to Japan; flour goes to almost all the markets of the world; cattle and hogs to the markets of the nation. During the year there were shipped 5,894 cars of wheat, 7,000 cars of cattle, 3,000 cars of hogs, 3,000 cars of cotton, 200 cars of flour, and 1,200 cars of other mill stuff.

The climate of the Territory is delightful and invigorating; the rainfall averages from 20 to 50 inches and is sufficient for the growing of crops, but there are no long damp seasons. Great agricultural advantages and opportunity to raise a large variety of crops are to be found in Oklahoma. The wheat crop of the present year was about 20,000,000 bushels, the corn crop over 75,000,000 bushels; last year 140,000 bales of cotton were produced, and it is estimated that there will be 100,000 bales this year. Cane, kaffir corn, castor beans, melons, peanuts, oats, alfalfa, and all kinds of vegetables do well. About 400 cars of melons were shipped this year.

There are in the Territory 79 grain elevators, with a capacity of 1,341,000 bushels.

The horticultural interests are large, over 20,000,000 fruit trees having been planted. Peaches are as fine as can be found anywhere. Grapes of every kind grow and ripen to perfection and wines are being made the equal of those in California. Apples, pears, apricots, cherries, prunes, nectarines, and berries do well.

Stock raising is the leading industry of the western part of the Territory, and is followed more or less by every farmer. There are on the

tax rolls 216,000 head of horses, 11,191 head of mules, 849,767 head of cattle, 35,653 head of sheep, and 228,498 head of hogs.

Very little mining has been done in the Territory; there are, however, beds of coal, asphalt, and cement, immense deposits of building stone, and indications of iron, copper, lead, and zinc at several places, and good indications of oil and gas. In addition, there are large deposits of rock salt and salt streams from which salt can be manufactured by simple evaporation. One small salt stream flows brine enough to manufacture 50 cars of salt per day.

The manufacturing interests, though not extensive, are being rapidly developed. There are about 200 manufacturing establishments of all kinds in the Territory, employing a total of 2,500 hands. There are 35 flouring mills, with an aggregate capacity of 51,000 barrels per day.

The public health is well looked after by an energetic board of health, and few of the contagious or dread diseases of the North or South are known.

The Territory has a newspaper for each 2,500 of population; there are published 10 daily and 122 weekly newspapers, 1 semimonthly, and 18 monthly publications, making a total of 151.

The Territory has no public buildings save its colleges, but has $75,000 in a public building fund, which is increasing about $20,000 a year from the rental of public building lands. It is the disposition not to locate public buildings until the definite boundaries of the future State are determined.

At the Omaha Exposition the Territory was awarded five gold and six silver medals on exhibits, besides a silver medal for greatest variety of products.

There are in the Territory 12,941 Indians, a decrease of 973 the past year. They are all making some progress, the most marked advance being by those who have taken their land in severalty and abandoned reservations.

There are Indian reservations in the Territory aggregating 5,138,139 acres in area, much of it the very best of agricultural land, which, when opened to settlement, will afford homes to many thousands more settlers.

The work of the courts is done expeditiously and crime seems to be on the decrease. The governor recommends the establishment of an appellate supreme court for both Oklahoma and the Indian Territory as a desirable improvement on the present system. Other important recommendations are for the ceding of western grazing lands to the Territory, for an appropriation by Congress for boundary lines, and for the granting to the Territory of Fort Supply post and reservation.

In closing his report the governor declares that, "tested by the standards that have heretofore prevailed in the admission of new States, Oklahoma is certainly entitled to the rights and privileges of a State government," and "it is the earnest wish of a large number of

our intelligent and influential citizens that a State government be accorded to Oklahoma without further delay. Yet in view of the fact that at the present time only one-fifth of the farm land of the Territory is on the tax lists and the burden of the expense of the Territorial government is now borne by the railways and the property in cities and towns, and this burden will be greatly increased by statehood without commensurate benefit, there are many thoughtful people who have invested their capital and made their homes in the Territory who believe it would be for the best interests of all to wait until the Indian Territory can be united with Oklahoma in one strong and wealthy commonwealth—a grand State which would be a pride and satisfaction to all its people."

INSPECTORS OF COAL MINES IN THE TERRITORIES.

INDIAN TERRITORY.—Luke W. Bryan, mine inspector, reports that the mines are in good condition; ventilation is good, the mines being well equipped with fans; air courses are kept well timbered and open, as well as the traveling ways; mine operators, superintendents, and foremen have uniformly complied with the act of Congress for the protection of the miners, and the suggestions of the inspector in regard thereto.

The past year has been one of special activity in the coal business—the result of the natural growth of the country and increasing population of the Territory and the general legislation affecting the same. A very large percentage of the coal of the Indian Territory has been found in the Choctaw Nation, and the geological formation of the country thereof would seem to indicate that the main production of coal in the Indian Territory for many years will come from the Choctaw Nation. The production of coal for the last fiscal year was 1,458,098 tons, against 1,444,442 tons during the present year.

A systematic and unwarranted strike was inaugurated in March, 1899, which has continued to the end of the present fiscal year. The fact that the output for the current year is equal, or nearly so, to that of the year previous, notwithstanding the drawbacks attendant upon the strike, is regarded as sufficient proof of the growth of the business in the Territory.

During the year there were 53 accidents, of which 25 proved fatal, as against 51 accidents during the previous year, of which 17 were fatal. The accidents are principally caused by falls of roof and explosions of fire damp. The causes mentioned comprise 60 per cent of all the accidents in coal mines in the United States, and seem to be absolutely unpreventable notwithstanding the most rigid system of inspection. They appear to be due principally to negligence on the part of the miners. The rules laid down by the inspector, and indorsed by the printed rules of the companies, are that props for roofs and walls must always be kept on hand and propping done at safe distances; further-

more, a rigid system of inspection is instituted by all the companies into the conditions of the various working places in the mines, in regard to the presence of fire damp in explosive quantities previous to the admission of the men to the mines every morning. As indicating the value to the mining community of the laws imposed upon the operators and the system of inspection of the mines, attention is directed to the fact that since the inauguration of the system of inspection and the enforcement strictly of the provisions of the United States Federal mining law the danger resulting from the presence of volatile hydrocarbon in the coal in the Indian Territory district has been reduced to a minimum, and that coal-dust explosions, which have caused wholesale destruction in the past in this district, as well as in others, but rarely occur.

The number of men employed during the last fiscal year was 3,529, and the number employed during the fiscal year ended June 30, 1899, was 4,005, an increase of 476 men. This, however, does not indicate an increase in the amount of labor performed, but is due to the fact that the inauguration of a strike caused the importation of a large number of men, and also by the fact that many new openings have been made wherein the labor of the men employed was for the purpose of opening out slopes, shafts, and entries, and does not show a corresponding increase in the output of coal.

Tabular statements of inspections made and details of the changes and extensions of the coal-mine business during the year are given, together with statistics of the operation of each mine and with copies of the rules and regulations governing the work of the same, respectively.

NEW MEXICO.—John W. Fleming, United States coal-mine inspector for the Territory of New Mexico, reports the general state of the coal mines within his jurisdiction as steadily improving. The owners and operators of mining property are endeavoring to fully comply with the requirements of the mining laws, and, as a whole, the condition of the miners has been bettered. The mine officials throughout the Territory, he states, have complied with all requests made relative to the sanitary condition of the miners and the ventilation of the mines.

The number of mines in operation is 25, an increase of 5 over that of the preceding fiscal year; those not in operation, 9; those abandoned, 2.

The production of coal during the fiscal year ended June 30, 1899, was 1,049,031 tons, an increase over that of the previous year of 190,451 tons. The estimated value of the output for the year just ended, at the mines, is $1,600,588, which means an increase in value of $191,908 over the former year. It is estimated that 29,586 tons of coke were produced in the Territory during the year.

The total number of persons employed in and about the mines was as follows: Miners, 1,507; day men, 329; boys, 4; a total of 1,840.

There were 15 fatal and 16 nonfatal accidents reported throughout the year from various causes.

The mine inspector again directs attention to the inadequacy of the existing law governing the mining industry in the Territory of New Mexico, especially that portion of said law which regulates the operation of mines generating fire damp. He suggests that owners and operators of each mine employing 10 or more men shall be required to furnish the inspector's office with an accurate map or plan of the mine under their control. The question of properly ventilating the mines is one which also needs legislative action. The safety of those employed in this industry demands a change in the present law.

NATIONAL PARKS AND RESERVATIONS.

THE YELLOWSTONE NATIONAL PARK.

Capt. Oscar J. Brown, the acting superintendent, reports that he relieved his immediate predecessor, Capt. W. E. Wilder, Fourth Cavalry, U. S. A., on June 23, 1899, upon the latter's departure for the Philippine Islands. Owing to Captain Wilder's short period of service—from March, 1899, to June, 1899—and the exigencies of the military service calling him away, no formal report was made touching the park affairs while under his supervision.

The appropriation made by Congress of $40,000 for the protection and improvement of the park is expended under the supervision of the Secretary of War. Early in the year, and before the arrival of the present superintendent, the work of supervising the improvements in the park was transferred from the acting superintendent to the Corps of Engineers and placed in charge of Capt. Hiram H. Chittenden. Since that time no funds for such purpose have been disbursed by the officer in charge of the park, nor has he anything directly to do with such work, except that before entering upon important improvements and changes the plan of operations is referred to him by the engineer officer in charge, and an agreement between them is arrived at before the work is commenced.

The amount allotted from such appropriation by the Secretary of War for the expenses of the immediate office of the acting superintendent is: For scouts and detectives, $3,000; clerk, $1,000; contingencies, $500; aggregating $4,500, the remainder of the appropriation being used for the improvement of the park. A detailed statement of expenditures for all improvements in the park will be found in the report of Captain Chittenden to the Chief of Engineers, which is embodied in the annual report of the Secretary of War to the President.

For the purposes of enforcing the regulations relating to the protection of the natural phenomena of the park from injury and mutilation, to the carrying of firearms, protection from forest fires, and care of the animals, fish, and birds of the park, detachments composed of from

three to ten enlisted men were stationed during the summer at the following points, each station being in charge of a noncommissioned officer: Norris Geyser Basin, Lower Geyser Basin, Upper Geyser Basin, The Thumb, west side of lake, Lake Station, near Lake Hotel, Grand Canyon, Soda Butte, Riverside, and Snake River.

A system of mounted patrols was kept up daily from each of these stations, covering approximately 180 miles of road, making the distance traveled each day about 360 miles. During the winter it is proposed to abandon the stations at the Thumb and Upper Geyser Basin, assigning the men to other localities, and to provide a new station on the east side of the Yellowstone River to cover what is known as the Hellroaring country.

During the summer patrolling is mainly along the roads traveled by tourists. When the hunting season begins, the country covered by scouts from the different stations is that where the game usually ranges and where poaching would most probably be done. Frequent scouts are made from the permanent stations, and to facilitate this a number of snowshoe cabins have been constructed at about a day's trip apart. In these cabins a small amount of food is placed at the beginning of the winter, together with bedding, fuel, matches, cooking utensils, etc. These cabins and the supplies contained in them are indispensable, as without them trips of only one day at a time, or at most only two or three days, could be made from the permanent stations, as the travel has to be made on skees, and it is impracticable, under these circumstances, to carry bedding or supplies, and such short scouts would leave a large part of the game country entirely unprotected.

In addition to the scouting from outlying stations frequent trips are made from this post by small detachments accompanied by the civilian scouts. There are from two to four of these parties out continually during the hunting season.

The aggregate number of tourists taking the park trip during the season of 1899 (June 15 to September 15 and stopping at the hotels of the Yellowstone Park Association was 3,637. Of this number the Yellowstone National Park Transportation Company carried from the northern entrance of the park 2,997; and Haynes & Humphrey, from western entrance of the reservation, 414; the remainder, 226 people, were bicyclers, or those carried in private transportation.

The total number carried through the park by W. W. Wylie and accommodated at his permanent camps was 975. Mr. Wylie also reports a transient custom at his camps during the season amounting to an equivalent of 1,305 persons for one day.

The aggregate number of persons taking the park trip with licensees of personally conducted camping parties was 703, and the aggregate number traveling with private transportation (camping parties) was 4,264.

The grand total of all visitors to the park during the season was 9,579.

Three thousand one hundred and six took the trip on the Yellowstone Lake during the season, of which 1,526 came into the park with the regular transportation company, 127 with Humphrey & Haynes, and 1,453 who were traveling with camping parties, 916 of whom were with W. W. Wylie.

There are maintained by Mr. Wylie, at Appollinaris Spring, Upper Geyser Basin, the lake, and grand canyon, two lunch stations—one between Appollinaris Spring and Upper Geyser Basin, the other at The Thumb.

That there is a demand for this kind of entertainment is fully indicated by the large number of tourists availing themselves of it during the present season. Inspections of these camps showed them to be comfortable, clean, and well kept, with more conveniences about them than are usually found in camp life.

It is probable that for sanitary reasons their locations may have to be changed from time to time.

There have been no forest fires within the limits of the park during the present year. Notices containing the precautions to guard against fire are posted throughout the park and at all places suitable for camping. As an additional precaution, mounted patrols examine all camps on their line of travel after they are vacated to see that camp fires are extinguished. In a few instances fires have been found in deserted camps, and on two occasions the parties who left them were pursued, arrested, and brought before the United States commissioner for trial.

It is not known how many buffalo there are in the reservation or whether or not they are increasing in numbers. An effort will be made this winter to ascertain how many there really are. Last spring one of the scouts saw about 26, and signs were seen of others. It is probable that there are 50 or more in the park. Bears, mountain lions, beaver, antelope, and elk abound in the park, especially the latter. It is estimated that there are at present 800 antelope and from 35,000 to 60,000 elk roaming the park. Mountain sheep and moose are seen in limited numbers.

Nearly all streams abound in trout of different varieties. Vast quantities of them are caught during the season without apparently diminishing their number, except in some of the smaller streams. It is claimed there is probably no place on the face of the earth where the angler can meet with such success as in the Yellowstone Park.

The snow fall during the past winter was the heaviest ever known in the history of the park, and the consequent high water in the spring called for unusual repairs to roads.

A notable improvement has been made in the construction of a new road of about 3 miles between the Golden Gate and Mammoth Hot Springs. The ascent from the old road was one of the heaviest in the park and is avoided by the new one. It is one of the most excellent

specimens of road building in the park and makes the travel from the points named comparatively easy, besides bringing into view many picturesque objects that could not heretofore be seen.

It is proposed during next summer to abandon the dangerous piece of road on the east side of the Gardiner River and construct a road on the opposite bank. This has been surveyed and a small part of it built, including a steel bridge with concrete abutments, the first of the kind in the park.

Preliminary surveys have been made, locating proposed roads from Mammoth Hot Springs to Yancey's; from the Grand Canyon to Yancey's, over Mount Washburn; Yancey's to Soda Butte; Gibbon Canyon to Madison River; Upper Basin to Lone Star Geyser, and Grand Canyon to Norris.

There still remains about 59 miles of the park boundary along the north and west that should be marked. It is very important that this should be done, in the interest of protection and to prevent trespasses of other kinds.

The acting superintendent recommends that necessary legislation be enacted to make the Forest Reserve bordering on the southern limits of the park a portion of the reservation and bring it under the provisions of the National Park protective act, as being necessary for the better protection of the game.

Referring to the matter of the extension of the boundaries of the park, my predecessor, in his last annual report, stated that—

> Under date of February 1, 1898, there was transmitted to Congress a report made on the 12th of January, 1898, by Col. S. B. M. Young, Third United States Cavalry, then acting superintendent of the park, recommending the extension of the limits of the park, and submitting a draft of a bill with a view to carrying the same into effect.
>
> The boundaries, as suggested in said bill, which are indicated on a map accompanying the same, would extend the limits of the park so as to embrace the Yellowstone Timber Land Reserve, which lies on the east and south boundaries of the park, and comprises about 1,914 square miles; all that portion of the Teton Forest Reserve lying east of the summit of the Teton Range and comprising about 1,050 square miles, and adjoining the Yellowstone Timber Land Reserve on the south; together with an unreserved area of about 30 square miles at the southwest corner of the park, in Idaho, and an unreserved area of about 260 square miles at the northwest corner, in Montana.
>
> In the forest reserves are fine bodies of timber which it is important should be preserved from fires because of its value as timber, as well as the protection to watersheds and against fires running into the park.
>
> It is reported that during the winter months the large game from the National Park herd roam to a very considerable extent in the areas proposed to be included within the park, and they should have all protection possible from destruction by marauders, who are constantly on the watch for game as it roams out of the park limits. The State game laws are applicable to the forest reserves, and for this reason it is impracticable to prevent the killing of game in the reserves in the same manner and to the same extent as it is prohibited in the park. The superior discipline of regular troops makes a more effective patrol than the civil forest officers, and cavalry can cover a greater extent of territory with more expedition, and is better able to cope with trespassers than are forest rangers.

In view of the importance of protecting this country, which has an international reputation on account of its scenic beauties, and to throw additional safeguards about the big game whose natural home is the National Park, and to protect more effectually the timber embraced in the forest reserves adjoining the park, I think it a wise policy that the additional areas herein described be embraced in and placed under the laws and management relating to the Yellowstone National Park.

Estimates for improvements amounting to $300,000 have been prepared by Captain Chittenden and included in his report to the Chief of Engineers. Concerning these the acting superintendent reports as follows:

Whether the total amount required for this work is obtained or not, there are certain items for which the Department should make every effort to get appropriations. The more important are:

Fifteen thousand dollars for new steel bridge in Golden Gate Canyon. This is absolutely necessary for safety. I do not consider the present bridge safe for another season's travel, and if upon careful examination in the spring it is not found to be so I shall have to prohibit any passage across it. This would stop all travel in the park, as there is no other way of getting through. This bridge is of wood, fastened to the side of a precipitous cliff, with wooden supports below, and has been in use several years.

Sixteen thousand dollars for road in Gardiner Canyon. This road runs at the base of a mountain the side of which next to the road is composed of loose earth and an easily disintegrated stone that from time to time break away and fall into the road, making travel along it at certain seasons dangerous. This change should be made in the interest of safety.

Twenty thousand dollars for new road from Grand Canyon to Norris. This road should be changed to avoid an extremely steep declivity with an abrupt turn at the foot, which makes it dangerous.

Five thousand dollars for bridge over Lamar River. The old bridge here washes out every spring, cutting off the Soda Butte Station and isolating an important part of the park.

Twenty thousand dollars for new bridge across the Yellowstone near the upper falls. This bridge should be built both as a means of protection and for the opening up of the east side of the river to tourists. The means of getting to the other side, where much of the game ranges, is to cross on the ice in the winter and to ford it at shallow points in the summer. It is late in the winter before this can be done on the ice. During high water it is impossible to ford anywhere, and it is late in the summer and at only a few points where this can be done at all.

YOSEMITE NATIONAL PARK.

Capt. E. F. Willcox, Sixth Cavalry, U. S. A., acting superintendent, in his annual report briefly reviews the conditions existing during the year 1898, when, owing to the necessities of the service, troops were absent from the reservation the greater part of the season. He states that on the 26th of May, 1898, Mr. J. W. Zevely, special inspector, was designated as acting superintendent of Yosemite National Park. During the period of his service as such, until September 1, 1898, 189,550 sheep, 350 horses, and 1,000 head of cattle were expelled from the park, and 27 firearms were captured.

On the 1st of September, 1898, he was relieved by Capt. Joseph E. Caine, Utah Volunteer Cavalry, and under his supervision many forest fires were subdued and trespassing sheep and cattle removed from the

park, and the regulations for the protection of the reservation were energetically enforced.

In May, 1899, Lieut. W. H. McMasters, Twenty-fourth Infantry, with about 25 men, took charge of the park, being relieved on June 21, 1899, by Lieut. William H. Force, Third Artillery, with a small detachment. During this time the park was as well protected from trespassing sheep and cattle and from forest fires as possible, considering the small number of men detailed for the purpose.

Under orders from the commanding-general Department of California, Capt. E. F. Willcox, the present acting superintendent of the park, left the Presidio of San Francisco, Cal., August 1, 1899, arriving at Wawona with about 50 men August 4, 1899, relieving Lieutenant Force. Subsequently, in order to secure more effective work in the reservation, the balance of his troop was ordered to proceed to the park, where they arrived August 22, 1899. A system of patrols in all directions within the limits of the park was established, one patrol on returning to camp being immediately succeeded by another over the same part of the country, thereby preventing herders and hunters coming in on the heels of the troops. This system was continued during the season. Cattle found straying from patented lands were scattered as far as possible as a punishment for violation of the regulations, and owners instructed to have their holdings properly surveyed and fenced to prevent further strays on reservation lands. These instructions have been substantially complied with in many instances, and there has since been no unlawful herding or trespassing within the park limits.

There has been a large increase in the number of tourists and sightseers, and this will continue from year to year if facilities for travel in the park improve. The country in the reservation is grand and beautiful, abounding in interesting flora and fauna, having some of the most magnificent scenery in the world.

There has been no hunting in the park since August, 1899. Grass in the meadow lands is high and affords good grazing; deer are plentiful and very tame, indicating that they have not been fired upon recently. Signs of bears, mountain lions, and lynxes have been frequently observed; quail and gray squirrels are numerous. Trout are plentiful in the streams and lakes, mostly of the rainbow variety.

The game is a source of great pleasure to tourists and can not be too carefully preserved. This can only be accomplished by the presence of troops. Campers and would-be hunters have been deprived of about thirty firearms during the season.

Permission should be secured from the State of California for the establishment of a camp of troops within the Yosemite Valley as being a convenient point from which patrols could be sent out to protect the Yosemite Park.

A permanent camp should be constructed in the vicinity of Wawona.

A good shed and stable is a necessity. A mess house, kitchen, and large library should be built for the accommodation of the troops. The total expense of these three buildings is estimated at $1,000.

Several large forest fires occurred in the northeastern part of the park above the Yosemite Valley and one on the southern border. Everything possible was done to extinguish them, but they were entirely beyond control. These fires, however, did but little damage as only the dead and fallen timber and dry underbrush were destroyed. The live trees were not injured but only made unsightly on account of the blackening of the bark. A systematic burning out of the fallen timber and underbrush and dead trees along the traveled part of the park would be of great benefit and prevent a recurrence of forest fires.

Attention is directed to the fact that persons on private lands outside of the park limits are diverting waters flowing into the park. If this is permitted to continue the reservation camp near Wawona will be deprived of its only supply of water.

Provision should be made for the rebuilding of bridges over the Tuolumne River, Rancheria Creek, and Fall River, in Hetch Hetchy Valley; the construction of bridges over the North Fork of the San Joaquin River, over Slide Creek at Pleasant Valley, and over Tuolumne River at Soda Springs; and repairs should be made to the trails in Hetch Hetchy Valley, Pleasant Valley, and up Chilnualna Creek and Rancheria Mountain.

The act of October 1, 1890 (26 Stat. L., 650), setting aside the lands embraced within the limits of Yosemite Park, provides no penalties for violation of the regulations for the management of the reservation prescribed by the Secretary of the Interior. In their absence the acting superintendent states that little can be done beyond harassing and making it uncomfortable as far as possible for trespassers, and he earnestly recommends legislation by Congress on the subject.

Attention is called to the fact that the metes and bounds of the park have never been defined by a proper survey, nor have they been monumented, a matter which should receive the earliest possible attention.

The superintendent recommends that owners of patented lands should be bought out by the Government, thus removing one great source of destruction and trouble within the park limits.

My predecessor, in discussing this subject in his last annual report, stated that—

> So long as these private interests are permitted to remain within these reserves, just so long will there be trouble and annoyance to this Department in their protection. Some provision should therefore be made at an early day looking to the extinguishment of these holdings in order that the reserves may be, as an entirety, the property of the Government, as in that way alone are they susceptible of being satisfactorily protected. To that end, therefore, I have to recommend that so much of the act of Congress approved June 4, 1897 (30 Stat. L., 36), as permits the relinquishment by owners of tracts of land in the several forest reservations and the selection in lieu thereof of vacant lands in other localities which are open to settlement, be extended to these parks.

Concurring in his conclusions in the premises, I earnestly recommend favorable legislation in the matter by Congress, provided the exchange of land can be made on an equitable basis.

In the sundry civil appropriation act, approved March 3, 1899 (30 Stat. L., 1100), an appropriation of $4,000 was made for the construction of bridges, fencing of trails, and improvement of roads other than toll roads, to be expended under the supervision of the Secretary of the Interior. It also provided for the appointment, by the Secretary of War, of three commissioners—one from the Engineer Corps of, and one from the officers of the Regular Army of the United States to act without compensation, and the third, a civil engineer and member of the department of highways of the State of California, to be paid his actual expenses—to act as a commission to examine and determine the lengths, widths, elevations, grades, conditions, ownership, cost of construction, present values and annual cost of maintenance, rates of toll charged, annual tolls collected, and the length of the season open to travel and actual travel of the public over certain toll roads therein described, etc., and to make report as to the result of such investigation to this Department.

Pursuant to the authority contained in this act, the Secretary of War, on the 29th day of April, 1899, designated the commission provided for therein. Instructions as to their duties were prepared by this Department and forwarded to them. The chairman of the commission has recently advised the Department that the field work has been completed and his report will be submitted at an early day.

The expenses of this commission as provided for in the act above mentioned have been defrayed from the appropriation of $4,000 provided for the park improvement.

SEQUOIA AND GENERAL GRANT NATIONAL PARKS.

Second Lieut. Henry B. Clark, Third Artillery, U. S. A., acting superintendent, reports that the park guard, consisting of a detachment of Battery D, Third Artillery, arrived at Three Rivers, Cal., on June 19, establishing a temporary camp at Red Hill, which it occupied until June 28, when the headquarters were removed to the camp at Weishars Mill. Camps of outlying detachments were established as follows: At Hockett Meadow, one noncommissioned officer and four privates, on June 20; at General Grant National Park, one noncommissioned officer and four privates, on June 21; a noncommissioned officer was left in charge of Red Hill camp, which was maintained during the summer as a base of supplies. During the month of July subposts were established at Halstead Meadow, and at the South Fork entrance to the Sequoia Park.

The regular military patrol of the parks having been suspended during the tourist season of 1898 on account of the Spanish-American war, much of the work of superintendents during previous years was

suffered to decline. During that period at least 200,000 sheep roamed at will over the parks, and a destructive fire occurred in the Giant Forest, and hunters frequented the parks with impunity.

Since the arrival of the present detail of troops in the parks a daily patrol has been kept up. Such cattle as were found trespassing were removed, several hunters were arrested, and numerous herds of stock on the north of Sequoia Park and the south of General Grant Park were prevented from entering the reservation.

The boundaries of the parks, which have been a subject of conjecture during previous years, were established in General Grant Park during the last season and marked with monuments; the Sequoia Park boundaries will no doubt be similarly marked at an early day, as the contract for the work has been authorized by the Department.

The Sequoia Park, though 252 square miles in extent, is crossed by but one wagon road, the Mineral King road, which is owned by Tulare County. It is in a dangerous condition, and accidents occur frequently. The Old Colony Mill road, which was constructed over the public lands by a cooperative association, since disbanded, for the purpose of cutting the redwood timber of the Giant Forest, is now impassable by wagon, and should be repaired. This road leads to the Giant Forest, and unless some steps are taken toward its repair and extension, this grove of trees, which is the exclusive property of the Government and generally conceded to be the finest in the world, will be practically inaccessible to visitors. Travel through the park reserve must be had by the mountain trails. The work of improving the latter, commenced by previous details, was renewed as far as the reduced numbers would permit. The Wilhelm Cut-Off trail has been improved and a good temporary bridge thrown across East Fork, lessening the distance from the main camp to Hockett Meadows by 3 miles.

The game is less abundant than in previous years, and some of the rarer species have become extinct. Hunting and trapping were common last season, and the trespassing herds of sheep in the reserve at that time trampled out many nests of game birds. Elk and mountain sheep have disappeared. Deer are still common, but decreasing. Black, brown, and cinnamon bears, mountain lions, panthers, several varieties of the fox, and other wild animals are frequently found. Quail are abundant, but grouse are disappearing rapidly. Energetic steps should be taken at once to preserve the game, and the opportunity is still open to make, amidst the groves of the sequoias, a magnificent game preserve.

Fishing is very good, some of the streams being well stocked. The Kern and Kings rivers are well known for rainbow and New Hampshire brook trout, and Golden Trout, near Mount Whitney Creek, is the only known habitat of golden trout. The possibilities in this line, however, are but partially developed.

Forest fires have been caused mainly by lightning. Four fires, at intervals of several miles, were started by lightning on July 24. Squads

were immediately dispatched to the fires, and all were completely extinguished in less than a week. The danger of a terrible and destructive fire in the Giant Forest is becoming more imminent every year, owing to the dry debris which covers the floor of the forest to a depth of several feet.

The mineral deposits of the parks are varied but not rich; they embrace white marble, black marble, lead, gold, iron, and copper. There is a wealth of beautiful springs within the parks, many of them supposed to possess medicinal properties of value; iron, soda, sulphur, and salt springs prevail.

The acting superintendent also states that the patented lands within the reservation are owned by sixteen different persons, but their combined tracts, as shown by the county records, only aggregate 5,440 acres. But little value is attached to the land, since the country surrounding the meadows is strictly guarded by the Government, making the private holdings too small for profitable grazing, and have no great value for cutting timber.

On the Atwell Mill tract, however, which is patented land, there is a magnificent grove of sequoias. The sawmill on this property is now running and is fast denuding the vicinity of these giant trees. There are seven groves of these trees within the park boundaries, but this is the only one to which title was ever completely proved, and should be acquired by the Government at once.

These recommendations relative to the desirability of the acquirement by the Government of all private lands within the parks have been made by prior superintendents and have been called to the attention of Congress by my predecessors, and I reiterate their recommendations in the premises.

The acting superintendent recommends the extension of the Sequoia Park so as to include one half of townships 17 and 18 south range, 23 east, which would bring within the reserve the foothills mostly frequented by deer in the winter, and make the park an ideal game preserve. This additional land would inclose the park by natural barriers on the east and lighten the labor of guarding the reservation on that side. It would in a measure stop the trespassing on the park lands by cattle men, thereby lessening the destruction of the "big trees" by fire. He urges that adequate appropriation should be made for the protection of the park and construction of roads and bridges therein.

MOUNT RANIER NATIONAL PARK.

By act of Congress, approved March 2, 1899 (30 Stat. L., 993), a portion of certain lands in the State of Washington, known as the Pacific Forest Reserve, was set aside as a public park, to be known as the Mount Ranier National Park.

Section 2 of this act provides, inter alia:

> That said public park shall be under the exclusive control of the Secretary of the Interior, whose duty it shall be to make and publish, as soon as practicable, such

rules and regulations as he may deem necessary or proper for the care and management of the same. Such regulations shall provide for the preservation from injury or spoliation of all timber, mineral deposits, natural curiosities, or wonders within said park, and their retention in their natural condition. * * * He shall provide against the wanton destruction of the fish and game found within said park, and against their capture or destruction for the purposes of merchandise or profit. He shall also cause all persons trespassing upon the same after the passage of this act to be removed therefrom, and generally shall be authorized to take all such measures as shall be necessary to fully carry out the objects and purposes of this act.

Section 5 provides:

That the mineral-land laws of the United States are hereby extended to the lands lying within the said reserve and said park.

No regulations for the government of the park and "for the preservation from injury or spoliation of all timber, mineral deposits, natural curiosities, or wonders within said park and their retention in their natural condition," as required by the act, have been promulgated by the Department, for the reason that it would not be practicable to prescribe or enforce regulations which would not prevent or interfere with the exploration, development, location, occupation, and purchase, under the mineral land laws, of any mineral lands lying within said reserve. Furthermore, no penalty is prescribed by the act for any violation of regulations adopted, nor has an appropriation been made by Congress to enable the Department to protect the reservation.

It is desirable, therefore, that section 5 of the act above-mentioned be repealed, and that a penalty be provided for violation of the provisions of any regulations prescribed thereunder, and that appropriation be made for the protection of the reservation.

HOT SPRINGS RESERVATION.

William J. Little, superintendent of the Hot Springs Reservation, reports that the number of persons visiting the Hot Springs for health and pleasure during the past year has been the largest in the history of the place. Hotels and bath houses have enjoyed a good business, and, so far as can be determined by observation, those using the baths have been greatly benefited.

By the act of Congress approved June 16, 1880 (21 Stat. L., 288), the mountainous districts of the Hot Springs Reservation, known as North Mountain, Sugar Loaf Mountain, and West Mountain, together with Hot Springs Mountain, were forever reserved from sale and dedicated to public use as parks, to be known as the Permanent Reservation. These, with the Whittington Avenue Reserve, comprise 911.63 acres, divided as follows: Hot Springs Mountain, 264.93; North Mountain, 224.74; Sugar Loaf Mountain, 129.02; West Mountain, 281.94, and Whittington Avenue, 11.

The hot springs, which are 73 in number, with temperature ranging from 76° to 157°, issue from the side and base of Hot Springs Mountain, the waters from each being secured at the source and conveyed through pipes to the bath houses and reservoirs. The actual quantity of hot water discharged by all these springs is not known; that which is under control and being used to supply the bath houses amounts to about 538,000 gallons daily, the maximum supply for each tub being estimated at 1,000 gallons per day, the amount collected and passed through the impounding reservoir is about 350,000, making a total quantity of hot water under control of about 888,000 gallons a day.

No leases for additional hot water have been granted, and no new bath houses have been erected. The Rammelsberg bath house has been repaired at an aggregate cost of $4,800, and its lease, which expired December 31, 1898, has been renewed. Such repairs have been made to the other bath houses as were necessary to keep them in good condition, and some interior decorations and additions to furnishings have been made.

The bath-house rules and regulations, it is stated, have been better observed than heretofore. There are, however, many conditions in Hot Springs which induce and encourage bath-house drumming, not the least of which is bath-house competition. The superintendent states:

> There are eighteen active bath houses in Hot Springs, each striving with the other for the largest share of business. Apply to them the settled business principle, "that all men do not succeed equally though all may have started with equal advantages." Those who find themselves falling behind conclude at once, without accusing themselves of inefficient management, that the more fortunate ones have achieved their success by bath-house drumming; and in this they are encouraged by both the drummers and the drumming doctors, who are ever alert to break through the lines, and who are unscrupulous in the means they employ to convince the one who has fallen behind that the success of his competitor has been accomplished through doing business with them. In like manner the drumming doctors will occasionally send all their patients to one particular bath house in order to create the impression among the others that they are getting paid for the patronage they send.
>
> Out of the ninety-odd doctors practicing here about one-half openly employ drummers or other means not recognized by the medical profession for getting their patients.

The superintendent reiterates the opinion expressed in his last annual report that the evil of drumming can be remedied, if not wholly broken up, by the appointment of a board of competent physicians to examine and pass upon the qualifications of the persons practicing medicine in the city of Hot Springs and prescribing the use of the hot waters in connection with the regulation prohibiting bath-house lessees from furnishing baths to persons under treatment of a physician who does not hold a certificate as to his qualifications from such medical board.

The Department has been advised that recently, to wit, on the 2d of November, 1899, the municipal authorities of the city of Hot Springs

passed an ordinance to prohibit doctor and bath-house drumming, as follows:

Be it ordained by the mayor and aldermen of the city of Hot Springs:

SECTION 1. That doctor and bath-house drumming in this city is a public nuisance.

SEC. 2. That any person who shall drum or solicit a visitor or visitors or other person or persons, or who shall drum or solicit a visitor or visitors or other person or persons to patronize and employ professionally any doctor or physician, or doctors or physicians, who are residents of, or bath house or bath houses which are conducted in the city of Hot Springs, or who shall practice or conduct bath houses therein, shall be deemed guilty causing a nuisance to the public health and injury to the morals and business of the inhabitants, and on conviction in the police court of the city of Hot Springs shall be fined for the first offense twenty-five dollars and for each additional offense fifty dollars.

SEC. 3. All ordinances, or parts of ordinances, authorizing the licensing of doctor drummers, or bath-house drummers, or otherwise in conflict with this ordinance are hereby repealed and this ordinance shall take effect and be in force from and after its passage.

It is to be hoped that the enforcement of this ordinance will prevent further drumming, as it is the intention of the Department to place this reservation and national sanatorium upon a high plane of efficiency.

The following table shows the bath-house sites on and off the reservation for which leases have been granted up to the present time.

Name of bath house.	Lessees.	Tubs.	Date of lease.	Expiration of lease.
Alhambra	Alhambra Bath House Co	40	Feb. 28, 1894	Feb. 28, 1914
Arlington	Arlington Hotel Co	40	Mar. 3, 1892	Mar. 2, 1912
Avenue	Avenue Hotel Co	20	Feb. 17, 1898	Dec. 31, 1902
Cheshire	Butterick Publishing Co	8	Sept. 16, 1898	Sept. 16, 1905
Eastman	New York Hotel Co	40	May 12, 1892	May 12, 1912
Great Northern	Curnel S. Williamson	19	May 25, 1897	May 15, 1912
Hale	Roots & Eastman	26	Jan. 1, 1893	Dec. 31, 1907
Horse Shoe	D. Fellows Platt	30	Jan. 1, 1895	Dec. 31, 1909
Hot Springs	Mark J. Smith	16	Jan. 1, 1893	Dec. 31, 1902
	Hot Springs Medical Co	4	July 24, 1894	July 24, 1904
Imperial	Fred N. Rix and J. L. Barnes	25	Jan. 1, 1892	Dec. 31, 1906
Lamar	M. C. Tombler and D. C. Buckstaff	40	Jan. 1, 1897	Dec. 31, 1916
Magnesia	Chas. B. Platt	30	Jan. 1, 1895	Dec. 31, 1909
Maurice	Maurice, Converse & Maurice	21	Jan. 1, 1897	Dec. 31, 1916
Ozark	I. W. Carhart and F. B. Latta	22	Jan. 1, 1892	Dec. 31, 1902
Palace	Samuel W. Fordyce	23	Jan. 12, 1893	Dec. 31, 1906
Park	Park Hotel Co	40	May 12, 1892	May 12, 1912
Rammelsberg	Jeanette Hogaboom and G. H. Buckstaff.	18	Jan. 1, 1892	Dec. 31, 1898
Rector	Henry M. Rector	12	Apr. 16, 1894	Apr. 16, 1904
Rockafellow's	Charles N. Rockafellow	20	July 1, 1898	June 30, 1901
St. Joseph's Infirmary	Sister Mary Aloysius	4	Dec. 31, 1896	Dec. 31, 1901
Sumpter	John J. Sumpter	8	Mar. 7, 1894	Mar. 7, 1904
Superior	Robert Proctor and Henry W. Myar.	16	Sept. 15, 1896	Sept. 14, 1906
Waverly	New Waverly Hotel Co	20	Mar. 24, 1893	Mar. 24, 1913

The prices which the different bath houses may charge for baths are subject to approval and revision by the Secretary of the Interior, and

are in all cases regulated by the class of bathing accommodations each house is in position to furnish, the newer and better equipped houses being allowed to charge higher prices than those of less modern build and inferior equipment. The scale of prices in force at present are fixed prices, and may not be deviated from by any bath house. The price for a single bath ranges from 25 cents to 50 cents, and per course of 21 baths from $3 to $10.

The aggregate cost of the 24 bath houses receiving water from the Hot Springs Reservation was $574,500. Only 18 of these bath houses were operated continuously during the year. The aggregate amount received by the lessees of the bath houses for baths during that period was $112,294.50. The total number of baths given in the Hot Springs during the year, including 147,713 at the free bath house, was 509,945.

The free bath house, at which baths are provided for the indigent, was extended and thoroughly repaired during the past year at a cost of $3,885.80, and offers better bathing facilities than ever. Two new bathing pools and much-needed floor space have been added, providing four separate bathing departments, each consisting of a bathing pool and cooling or dressing room attached. Separate accommodations for the colored and white people are provided.

The whole number of free baths given during the year was 147,713, the daily average for the time during which the house was open for bathing being 528, divided as follows: White men, 344; white women, 31; colored men, 117; colored women, 36.

The operating expenses, exclusive of repairs, was $2,496.70, the net cost to the Government being 1.7 cents per bath.

The free dispensary operated for some time past in connection with this bath house, under the supervision of the surgeon in charge of the Army and Navy Hospital, has been of great benefit to those persons using the free baths, as well as great assistance in the management of the bath house.

Necessary repairs have been made to the arch over the Hot Springs Creek, to the office and residence building, and to the building in which the engines and pumping station are located.

The reserve park is the most distinguishing feature of the reservation and embraces the most notable objects to be found there. It has a frontage of nearly 1,700 feet on Central avenue, which is the main business street of the city, and recedes back from that, taking in the entire Hot Springs Mountain, a considerable portion of the west side being already under cultivation as a park. It embraces all the hot springs, the free bath house, and ten other bath houses, the reservation residence and office, and the Arlington Hotel. It has 3 miles of pleasant mountain drives, which connect with 3 miles more on North Mountain, and about 2 miles of graveled walks. All the handsome hot-water drinking fountains are located along the front of this park, which is traversed by a broad concrete walk, 15 feet wide, along its entire front.

The improvements to the park during the year have consisted of extending the walks, planting additional shrubbery and grass, and preparing additional grounds for cultivation next year, and generally exercising such care as has been necessary to the grounds heretofore brought under cultivation.

Such attention has been given to Whittington Avenue Park as circumstances required. It is a very attractive little park, much used and appreciated both by strangers and citizens. The roads and drives heretofore completed on the Hot Springs Mountain have been kept in a good state of repair, and have been in more constant use than almost any other of the recent improvements on the reservation. During the year roads and drives on North Mountain have been completed and now make a continuous drive 5 miles long. The roads have an average grade of 7 per cent, driving surface 20 feet in width, affording ample room for passing in opposite directions.

The total receipts from the bath houses and hot-water rents for the fiscal year ended June 30, 1899, is $18,580; the disbursements by the superintendent for salaries, superintendents, repairs, fuel, lights, water, etc., was $13,448.55.

An act of Congress approved March 2, 1899 (30 Stat. L., 983), provides:

> That the Secretary of the Treasury be, and he is hereby, authorized and directed to cause to be constructed on the permanent reservation owned by the United States at Hot Springs, in the State of Arkansas, and at such spot thereon as may be selected and set apart by the Secretary of the Interior and accepted by the Secretary of the Treasury for such purpose, a suitable building, with fireproof vaults, to be used for post-office and other Government offices, not to exceed in cost the sum of seventy-eight thousand dollars, to be expended under the direction of the Secretary of the Treasury, who shall cause proper plans and estimates to be made, so that no expenditure shall be made or authorized for the full completion of said building beyond the amount herein specified.

The Secretary of the Treasury having called upon this Department to select a site upon the permanent reservation at Hot Springs on which to construct the public building referred to in the act, a representative of this Department, in conjunction with one from the Treasury Department, proceeded to Hot Springs for the purpose of making a survey of the reservation and recommending such site thereon as would be best suited for the purpose of the proposed building. In their respective reports they recommended, after careful survey of all the available Government property at Hot Springs, that the most suitable place on which to construct the Federal building authorized by the act was the present site of the pumping station, located on the permanent reservation, at the end of what was known as Bath House Row, and suggested that, with a view to providing for future extensions of the Government building, 150 feet wide of the Lamar bath-house site adjoining the station be reserved after the expiration, in fifteen years from 1897, of the present lease of the bath-house site.

The conclusions of the representative of the Department as to the site selected was not concurred in, and, under date of the 17th of July, the

honorable the Secretary of the Treasury was so advised in the following terms:

By act of Congress approved October 2, 1888 (25 Stat. L., 527), $31,000 was appropriated for providing a system of reservoirs, pumps, piping, and for other purposes necessary to the collection and economical distribution of hot water on the Hot Springs Reservation. Pursuant to this authority a plan was prepared by an officer of the United States Navy, detailed for that purpose, for the collection, impounding, and pumping of the hot waters from the Hot Springs Reservation to the bath houses and hotels receiving the same. Under this plan, which was adopted, a pumping station and impounding reservoir were constructed on the permanent reservation, at a cost of $18,490, and there were placed within said pumping station two engines and boilers, with appurtenances, at a cost of $7,350. Prior to the final completion of the work upon this impounding and distributing system Congress, on the 3d day of March, 1891, enacted a law (26 Stat. L., 844), section 6 of which provided:

"That the authority heretofore conferred upon the Secretary of the Interior to collect the hot water upon said reservation shall be so construed as to require water to be collected only where such collection is necessary for its proper distribution, and not where by gravity the same can be properly utilized."

The bath houses on the permanent reservation were supplied by gravity, and those off the reservation, not so supplied, being required to pump the hot water desired from the impounding reservoir at their own expense, the pumps have not been in operation since their installation. An exigency, however, consequent upon circumstances, might arise at any time which would necessitate the operation of the pumping station to supply hot water to the bath houses entitled to receive the same under the Government leases.

Some time ago the attention of the Department was directed to the necessity for providing the superintendent with an office on the reservation front near the bath houses in order to provide better facilities to persons desiring information touching the reservation and the bath houses thereon. To that end, the pumping station not being used except to house the engines and boilers, directions were given to the superintendent to remove the pumping engines from the pit in the pumping-station building and properly store them in another part thereof, together with the boilers. He was also directed to fit this building up in a suitable manner, so that it could be used for office purposes, which was done at an expense of $1,000. This work of rearranging the office, however, has been so performed that if an emergency requires it the engines can be immediately fixed in place and the pumping station used for the purpose for which it was originally constructed.

In view of the fact that this pumping station forms a part of the system which was constructed in pursuance of specific authority from Congress, and also in view of the sixth section of the act of March 3, 1891, above referred to, under which the Department must at all times be prepared to pump water in case there is a necessity therefor, I do not see my way clear to consenting to the use of this site for the purpose of the construction of a Federal building thereon, unless Congress specifically so authorizes. In my judgment, it is not desirable that a post-office building should be constructed on this permanent reservation in such close proximity to bath houses, and that a much more suitable site can be obtained by purchase in the city of Hot Springs.

Under date of the 20th of July, 1899, the honorable Secretary of the Treasury replied that—

This Department appreciates the reasons which you urge against the selection of the property in question as a site for said building, but as the act of Congress approved March 2, 1899, places upon you the duty of selecting and setting apart on the permanent reservation owned by the United States at Hot Springs a site for said

building, which shall be acceptable to the Secretary of the Treasury, nothing can be done by this Department in the premises in the absence of such action on your part.

And requested that, if deemed advisable, the facts in the case should be brought to the attention of Congress at its next session.

I have the honor to recommend, therefore, that suitable appropriation be made by Congress for the purchase of a lot in the city of Hot Springs, Ark., on which to erect the Federal building provided for in the act of March 2, 1899, or that authority be granted to use as a site for such building a portion of lot 16, block 78, granted by act of June 16, 1880 (21 Stats., 288), to the town of Hot Springs, Arkansas, as a town or city park, but which has been used only to a limited extent for that purpose. It is understood that the Hot Springs authorities will not object to the use of a portion of this block for the purpose of the Federal building authorized by the act of March 2, 1899.

CASA GRANDE RUIN.

The Casa Grande ruin, one of the most noteworthy relics of a prehistoric age and people in the United States, is near Florence, Ariz. It is built of the material known as cajon—that is, puddled clay, molded into walls and dried in the sun, and of a perishable character. It is located on 480 acres of land which was reserved from settlement by Executive order of June 22, 1892.

The custodian, Rev. Isaac T. Whittemore, reports that the building is without a roof, and the action of the elements on the upper edges of the walls of the building is causing them to disintegrate. Further, that if the walls are properly braced and a roof is provided these remarkable ruins will be preserved for many coming generations, and that there is urgent need of an appropriation by Congress to provide for the preservation of the ruin.

I concur in these conclusions, and reiterate the recommendation of my predecessor in office that $2,000 be appropriated to provide for the protection, etc., of this ruin.

ELEEMOSYNARY INSTITUTIONS.

THE GOVERNMENT HOSPITAL FOR THE INSANE.

The chief incident in the year's history of the Government Hospital for the Insane, was the passing away on the morning of May 6, 1899, of Dr. W. W. Godding, who was its superintendent since 1877. Dr. Godding was an authority on questions of mental aberration, and his work at the Government Hospital is well attested by the resolutions of the board of visitors, upon his death, which are included in the hospital report.

The annual report of the board of visitors shows that the average number of patients in the hospital was 1,871, the total number under

treatment, 2,456; the number remaining under treatment at the end of the year, 1,938, is greater than at the close of any previous year. There were 603 admitted during the year; this is a large increase over previous years, and was owing to the number of volunteer soldiers and sailors of the Spanish-American war sent to the institution.

The mortality of the year, 193 deaths, which was 7.85 per cent of the whole number under treatment, is a source of much gratification when the number of inmates suffering from malarial troubles is taken into consideration, and is the lowest per cent for a number of years. As in previous reports, attention is called to the pernicious influence of the poisonous miasma arising from that polluted spot, familiarly known as the "Anacostia Flats," which continues a great source of malarial diseases to all persons, particularly to the aged and decrepit veterans. A review of the hospital statistics reveals the fact that 85 per cent of the population of the asylum has suffered from malarial fever during the past fourteen months.

The hospital school of instruction in nursing, which was opened in 1894, is undergoing a reorganization. It is proposed that the number of each class beginning the work be fixed at 50, including both men and women. On satisfactory completion of the two years' course a certificate will be issued to the successful members.

The extension to the West Lodge, for colored males, has been practically completed, and is occupied by the class for which it was designed.

The investigations made at "Godding Croft," a farm of about 350 acres, purchased by the United States some years ago and situated on the Potomac River in Maryland 5 miles south of the hospital, have demonstrated that it will be difficult, if not impossible, to secure a sufficient supply of pure water for the use of the patients of any considerable number, and that for such reason it will not be judicious to attempt the construction of cottages on that tract of land. There is no suitable location at the parent institution for such cottages, as they would occupy space which is required for the special classes of the acute or helpless cases. For this reason, and because there is not now sufficient provision for the more strictly curative treatment of the excited and acute cases, it is believed that it would be more to the interest of the hospital to divert the $18,000 already appropriated for the three cottages for working patients to the construction of a building or buildings for the curative and special treatment of the disturbed classes among the acute and recent cases. Such provision as is here contemplated is an absolute necessity if this hospital is to keep pace with the requirements of the modern hospital, and is only what is now furnished by the average institution for the care of the insane throughout the country.

Dr. A. B. Richardson, the lately appointed superintendent, reports that on assuming charge of the hospital he found the existing system for storage of supplies at the institution necessitated delivery of arti-

cles at several different localities and their supervision by a half dozen independent custodians. Under such circumstances it was impossible to secure that careful supervision of the reception and disbursement of supplies that their large quantity and varied character rendered necessary.

If a building of about 40 by 100 feet, with three stories and a basement, could be provided as a central storehouse, provision could be made for the various kinds of supplies, and a bonded officer be placed in charge thereof and required to certify to the measure and quality of every article delivered.

The present provision for the refrigeration of meats, milk, butter, and fresh fruits is quite inadequate and unsatisfactory.

The amount expended for ice for the last fiscal year was $5,544.53; half this annual expense expended on a refrigerating apparatus would provide much better and more extensive facilities for refrigerating these articles, and enable a quantity to be kept on hand safely during the warm weather, besides providing all the ice required for other purposes about the hospital.

An appropriation of $32,500 is requested for the purpose of constructing a building for storage purposes and in which to accommodate a refrigerating plant.

The estimate for current expenses of $445,500 is based on an annual cost of $220 per capita for an estimated average of 2,025 persons of the different classes admitted to the institution. Appropriations are asked for $15,000 for general repairs and improvements; $4,500 for slaughterhouse, mule stable, and cart sheds on stock farm; $1,800 for steam-heating apparatus for new cottages; $4,000 for fireproofing stairway for relief building; $10,000 for kitchen for detached buildings; $2,200 for partially reroofing and reguttering on relief building; $25,000 for renewing plumbing, tiling baths, and toilet rooms throughout the entire group of old buildings; $10,000 for 200-horsepower engine with one direct-connected electric generator.

The sum of $7,850.50 is required as an urgent deficiency amount to close the account of the last fiscal year. When the estimates for that year were made, it was impossible to foresee the emergency needs of the hospital crowded upon it by the continuance of the army in the field, and the greater number of men than usual in the naval service. During that period the daily average of the insane population of the hospital was more than was estimated for, and the cost of maintenance of all soldiers admitted during the year was in excess of the estimated per capita cost.

After the decease of the former superintendent, a committee was appointed to examine his books and accounts as a disbursing agent of the institution. In reporting thereon, after referring to the fact that his accounts were found to be correct, balanced, and closed, and so

reported by the accounting officers to the Treasury, they state, referring to the matter of the disbursements of the institution, that:

Your committee are of the opinion, however, that the best interests of the public service would be subserved if the disbursement of the appropriations for the hospital was taken therefrom and placed under the direct supervision of the Secretary of the Interior, to be disbursed by the disbursing officer of the Department of the Interior on vouchers properly certified by the superintendent of the hospital and approved by the Secretary of the Interior. One of the principal reasons advanced why such a change should be made is that the superintendent of the hospital is now the purchasing officer, the receiving officer, the disbursing officer; three offices in one. The act of March 3, 1855 (sec. 4837, Rev. Stat.), made him a special disbursing agent. Under existing United States Treasury regulations he is required to render his accounts monthly, and no advance of funds is allowed him in any month in excess of his bond. On the contrary, the disbursing officer of the Department is required to render his accounts only quarterly, and is not confined to the limit of his bond in advances from the Treasury, so that money could always be promptly obtained from the Treasury for the payment of the bills of the hospital upon presentation of same. Under the present condition of affairs it has often occurred that persons selling goods and supplies to the hospital, expecting to receive cash when such have been furnished, have been compelled to wait weeks and months for payment. This condition of affairs should not be tolerated by the Department for a moment. Business methods prevail in every other branch of the Department of the Interior, and its creditors are promptly paid their bills on presentation of the same. Such should be the rule with the bills against the Hospital for the Insane. The merchant sells his goods to the hospital at a trifle above cost, expecting to receive promptly cash payment for the same. Failure to so ay him frequently results in serious embarrassment to his business.

Concurring in this conclusion, I recommend that the following paragraph be incorporated in the sundry civil bill when it shall receive consideration by Congress, to wit:

And hereafter the disbursing clerk of the Department of the Interior is hereby required to act as disbursing clerk for the Government Hospital for the Insane, and to disburse all moneys appropriated for the said hospital, under the direction of the Secretary of the Interior, on vouchers duly certified by the superintendent thereof and approved by the Secretary of the Interior. And the said disbursing clerk herein provided for shall, before entering upon his duties as such, give bond to the United States in such sum as the Secretary of the Treasury may deem proper and necessary, which bond shall be conditioned that the said officer shall render a true and faithful account to the proper accounting officers of the Treasury quarter yearly of all moneys and properties which shall be received by him by virtue of his office, with sureties to be approved by the Solicitor of the Treasury. Such bond shall be filed in the office of the Secretary of the Treasury, to be by him put in suit upon any breach of the conditions thereof. And for this service to be performed the said disbursing clerk, hereinbefore provided for, shall receive for the faithful discharge of his duties an annual compensation of $1,000, payable from the appropriation for current expenses of the Government Hospital for the Insane. And all acts heretofore made by Congress that are inconsistent with the provisions of this act be, and the same are hereby, repealed.

FREEDMEN'S HOSPITAL AND ASYLUM.

Dr. A. M. Curtis, surgeon in chief, reports that the number of patients treated in the wards during the year was 2,374, and the number treated in the dispensary 4,779, a total of 7,153. Admission to the hospital

was denied to 225, who were not eligible under the rules governing the admission of patients. The number remaining in the hospital June 30, 1898, was 148. During the year, 2,012 patients were admitted, of whom 1,167 were males and 845 females; 214 children were born, making a total of 2,374 in the hospital; 2,067 patients were discharged, and 192 died, leaving 115 remaining in the hospital on the 30th day of June, 1899.

In the surgical department there were 428 operations, many of them of a difficult character. Of these, 335 were cured, 80 improved, 8 unimproved, and 5 died. In the obstetrical department, there were 192 patients.

The death rate for all causes has been 7.11. Excluding the cases admitted in moribund, and those dying in the consumptive wards, the death rate is only 4.25.

Of the 2,012 patients admitted, 532 were natives of the District of Columbia, 746 from the State of Virginia, 12 of unknown nativity, 90 from foreign countries, and the remainder (632) from the several States and Territories.

In the training school for nurses there were 125 applications for admission during the year; 79 were formally considered, 25 admitted on probation, 19 accepted, and 3 dismissed. Seventeen nurses graduated in May, and there are 32 nurses enrolled in the school at present. The work of this school is steadily gaining recognition, as evidenced by the large number of graduates employed in private nursing.

Several improvements have been made during the past year, among others, the institution of an intercommunicating telephone system, the introduction of a card system, whereby the revisit of each patient and diagnosis of each case are accurately kept, the establishment of a ward for the accommodation of children, and the fitting up of a room for the examination of patients.

The surgeon in chief reiterates the recommendation in previous reports, that appropriation be made for new and modern hospital buildings, as well as for the improvement and placing in a sanitary condition of the Government reservation opposite the hospital.

The board of visitors to the institution, in their report as to its condition, state, among other things, that either on the present site, or preferably, as we think, on some other, the Government should erect a thoroughly modern hospital, with all the appliances necessary to its safe and successful conduct. To emphasize this need we have only to refer to the unsanitary and dilapidated character of the present buildings. All of the wards, which are frame buildings, used as hospital barracks during the civil war from 1861 to 1865, are unfit for use. They are widely separated from each other and without covered passageways between, and great difficulty is experienced in furnishing the proper safeguards to the sick and helpless. These buildings are old and unstable, and during a recent storm were so violently shaken

by the wind that two patients therein were thrown into an alarming fever through fright, one of whom actually died.

The roofs of these frame structures are of shingle, rotten and decayed, and are in dangerous condition and need immediate repairs. Not only do they leak so as to jeopardize at times the comfort and safety of the patients, but they are so old and dry that they are veritable tinder boxes, subject to constant ignition from a passing spark. They should be at once replaced with tin roofs. The plastering in these old buildings is constantly falling, thereby adding an additional element of danger to the patients. The floors of these frame structures are also worn and decayed, and have so rotted that in several instances during the past year they have broken through in places, and are constantly subject to repairs.

The surgeon in chief adverts to the fact that in his previous report he called attention to the inconvenience resulting from the dual management of the hospital, the appointive and general administrative power over it being vested in the Secretary of the Interior under the act of June 23, 1874 (18 Stat. L., 223), and the supervision and control of the appropriations made by Congress for its management being, by the act of March 3, 1893 (27 Stat. L., 551), placed under the Commissioners of the District of Columbia, and urges that the management, as well as the finances of the institution, be placed under the absolute control of the Secretary of the Interior. The best interests of this institution would seem to require that the control both fiscal and practical) thereof be unified, and I have the honor to recommend that Congress either place this institution wholly under the Department of the Interior or transfer the administrative and appointive power relative thereto from this Department to the Commissioners of the District of Columbia. It is also recommended that adequate appropriations be made for the hospital buildings.

HOWARD UNIVERSITY.

The president of Howard University, J. E. Rankin, D. D., reports a most appreciable progress in the general work of that institution of learning. Through the hearty cooperation of an efficient corps of instructors, the executive is able to submit evidence of material advancement in the standard of the university.

The total number of students in attendance upon the several departments was 603; of this number, from various causes, 77 were unable to complete the entire scholastic year.

The university comprises six departments—the preparatory, in which 127 students entered, 12 withdrew, leaving 115 in attendance; the normal department, in which 179 entered, 35 withdrew, leaving 144 in attendance; the collegiate department, in which 40 entered, 4 withdrew, leaving 36 in attendance; the medical department, in which

160 entered, 15 withdrew, and 32 of those remaining graduating; the law department, in which 92 entered, 7 withdrew, and 48 of those remaining graduating; the theological department, in which 48 entered, 4 withdrew, leaving 44 in attendance.

An appropriation of $1,500 was made by Congress at its last session for the establishment of a chair of pedagogy. The wisdom of this step toward higher education was fully justified by the results accomplished. A pedagogical department is now fully organized and separated from the academic work, the latter in no respect suffering from the establishment of the new department.

A night course of instruction in theoretical agriculture is being conducted at the university. The establishment of a practical department of agriculture in connection with this institution commends itself to favorable consideration. The trustees request that an appropriation of $1,500 be asked of Congress for the establishment of a chair of agriculture and express the hope, in this connection, that they may be able in the future to purchase a farm for practical experiments and agricultural training.

The buildings of the university are of such a nature, it is stated, that they need constant attention and repair. An appropriation of $2,000 is again solicited, to be expended in maintaining the buildings in a tenantable condition. This request is emphasized because of damage to said structures by high winds during the past year.

Appended to the report is a detailed statement showing the apportionment of appropriation for the institution made by Congress and the various purposes for which it was expended.

COLUMBIA INSTITUTION FOR THE DEAF AND DUMB.

The report of the president of the Columbia Institution for the Deaf and Dumb, made pursuant to the requirements of the act of February 16, 1857 (11 Stat. L., 161), shows that the pupils remaining in the institution July 1, 1898, numbered 117; admitted during the year, 36; since admitted, 27; total, 180. There were under instruction since July 1, 113 males; females, 67. Of these 127 have been in the collegiate department, representing 31 States, the District of Columbia, Canada, and Ireland, and 53 in the primary department.

A full statement is given of the courses of study offered in the several departments, from which it appears that the range of mental development covered by the prescribed courses of study is greater than can be found in any other educational establishment in the world, since children are received into the primary department at the age of seven, with no basis of verbal language whatever, and are carried through a graded course until they are prepared to enter college, and then through a regular course in the higher branches until they have earned the right to be graduated as bachelors of arts or of science.

At the anniversary exercises of the college in May thirteen students were candidates for the bachelor's degree and four from the normal department for the master's degree. The Secretary of State made an address on this occasion.

The receipts of the institution from the Treasury of the United States were $68,000, including $3,000 for special repairs; and from other sources, mainly from students and pupils who paid for their board and tuition, $6,149.86.

The expenditures amounted to $73,346.89.

Estimates of the expenses of next year have been submitted of $70,000.

MARYLAND SCHOOL FOR THE BLIND.

Under section 2 of the act of Congress approved May 29, 1858 (11 Stat. L., 294), the Secretary of the Interior is authorized to place for instruction in an institution for the blind, in the State of Maryland or some other State, the indigent blind children of teachable age who are children of persons actually engaged in the military and naval service of the United States, and, under section 4869 of the Revised Statutes, the indigent blind children of teachable age belonging to the District of Columbia.

The report of the superintendent of the institution shows that in pursuance of this authority there were at the close of the last fiscal year (1898) 18 blind children under instruction in the Maryland School for the Blind at Baltimore, Md.; 7 were admitted and 2 discharged during the year, leaving 23 beneficiaries at the institution on the 30th of June, 1899.

Of those discharged, one, having been in the school one year, at the age of 20 withdrew; the other withdrew on account of ill health. The course of instruction, commencing with the kindergarten and ending with the grammar school course, does not differ materially from that of the best public schools. The course in music is very thorough, commencing with the rudiments and embracing harmony, history of music and musical criticism, counterpoint, piano, organ, violin, and voice training. In handicraft instruction is included piano tuning and repairing, broom and mattress making, chair caning, knitting, sewing (plain and machine).

The school is provided with an excellent library of books in New York point, to which additions are constantly being made; a grand organ, pianos, orchestral instruments, and a gymnasium fitted with all the appliances for proper physical development of the pupils. The school is nonsectarian in character.

All the pupils have progressed and manifest an interest in their work, three being mentioned as having taken high rank in their classes, both in literature and music.

The cost to the Government for each pupil is $300 per annum, that

being the amount charged by the State of Maryland for similar instruction to others; payment therefor is made from any money in the Treasury not otherwise appropriated.

WASHINGTON HOSPITAL FOR FOUNDLINGS.

The report of the board of directors of the Washington Hospital for Foundlings, made in pursuance of the requirements of the act of April 22, 1870, shows that 75 children were provided for during the fiscal year ended June 30, 1899, of which number 44 were remaining in the institution from the previous year.

The adoptions for the year were 18 and the deaths recorded 25; of the latter 19 were under 6 months and 6 had passed the first year. The number remaining at the hospital June 30, 1899, was 33.

Including a balance of $4,036.40 from the last year, the total receipts from all sources were $19,020.52, of which amount $14,131.41 was expended in the operation of the institution, leaving a cash balance of $4,889.11 on June 30, 1899.

The board of directors urgently solicit a continuance of the appropriation of $6,000, in order that the humane work undertaken by this hospital may be properly carried on during the fiscal year ending June 30, 1900.

I approve of this charity and recommend that Congress appropriate the funds desired in order that the work of the hospital may be properly continued.

THE ARCHITECT OF THE CAPITOL.

The Architect of the Capitol, Mr. Edward Clark, reports that many general repairs to the Capitol were made during the year. Two of the retaining walls and balustrades of the terrace were partially reconstructed. The roof over the terrace was taken up and replaced by neuchatel asphalt roof, and the plant cases were cleaned out, repaired, and lined with similar material. During this work new skylights were placed on the roof of the House dynamo room and the skylights over the section repaired and provided with new and improved settings. The painting of the exterior of the old building, porticoes, and Dome was completed. The interior of the Senate Chamber was decorated, the Supreme Court and attached offices painted, and several of the principal corridors and many rooms in the House and Senate wings repaired and decorated.

The storms of the past winter caused great damage to the Capitol building; many decorations in committee rooms in the attic story were destroyed, and a large number of skylight glasses over the House and Senate gave way under the great weight of the snow, necessitating extensive repairs.

The air of the Senate wing and corridors and Supreme Court room has been improved by the introduction of a new ventilating system.

Under the act approved July 7, 1898, a new elevator operated by electricity was supplied to the Senate wing. In conjunction with this, a new engine and generator of 1,500 amperes capacity were purchased and set in place in the House terrace, adjoining the electric-light engines already in place.

The statues of Benton and Blair, presented by the State of Missouri, which by appropriate resolutions and ceremonies were accepted by the House of Representatives on February 4, 1899, have been placed in Statuary Hall, and three historical paintings by John Blake White, of South Carolina, presented to the Senate, have been placed on the walls of the principal corridor, gallery floor of Senate wing. Many paintings and statues in the Capitol have been cleaned and repaired.

The lighting of the Capitol and grounds has been done principally by electricity during the past fiscal year. Since the explosion and fire in the Supreme Court section of the Capitol, in November of 1898, which investigation demonstrated had been caused by a defective gas governor on the meter supplying gas to the Supreme Court, no gas has been used in the building and the mains have been cut off. The electric service has continued without interruption during the past year, and many extensions have been made to the plant. On the 12th of August, 1898, the electric conduits and mains in the Capitol grounds were very badly damaged by a severe storm, and considerable overhauling was necessary to properly repair them.

In the Capitol grounds the south roadway and the East Capitol street entrance have been repaved with asphalt, gutters have been formed of vitrified brick, and about 2,000 square feet of artificial-stone pavement was relaid. The entrances to the Capitol grounds on the north side have been modified in grade to conform to the repaving of B street by the District. The entrance to New Jersey avenue was much enlarged and a general improvement of the grounds made during the year. All necessary attention was given to lawns, walks, and roadways, and they have been kept in good condition.

The Architect calls attention to the act of March 3, 1899, in which Congress authorized the construction of the intercepting sewer for the use of the District, and permitted the passage of the sewer through the Capitol grounds. Under the plans submitted its construction will cause considerable damage to the beauty of the grounds, as it involves the sacrifice of large trees and future tearing out and reconstruction of the walls and walks on Maryland and Pennsylvania avenues.

General repairs have been made to the House and Senate stables, engine house, and to the court house.

The Architect recommends appropriations for fireproofing the roof of the old portion of the Capitol and for fireproof cases for the document rooms and libraries within the building; for completing the

frieze in the rotunda and the decoration of the interior of the rotunda and dome; for construction of new elevators for the House wing; for the improvement of the ventilation of the House of Representatives and for continuing the roof over the Committee rooms in the terrace.

Appended to the report is a special report by Mr. Glenn Brown and Prof. Charles E. Monroe, respectively, as to the result of an investigation into the cause of the explosion and fire which occurred in the Supreme Court section of the building, in November of 1898.

THE COLUMBIA RAILWAY COMPANY, OF WASHINGTON, D. C.

The president reports, in pursuance of the requirements of section 16 of the act of May 24, 1870 (16 Stat. L., 132), that the capital stock of the company is $400,000; that the par value of the shares is $50, and the number of shares subscribed for up to the 31st day of December, 1898, is 8,000.

The receipts from all sources during the year ended December 31, 1898, including $2,893.69, balance on hand January 1, 1898, were $174,291.05. The total disbursements during the year were $162,487.96, leaving a cash balance on hand January 1, 1899, of $11,803.09. The total amount of the funded debt, $500,000; no floating debt; average rate of interest per annum on funded debt, 6 per cent. The amount of dividends declared was 6 per cent on the capital stock. The length of road in miles is 5.6; the length of double track 2.8. Total number of passengers carried during the year, 6,012,880. Average time consumed by cars over road 19 minutes. Number of persons injured, 6 passengers; none of these injuries was serious.

THE MARITIME CANAL COMPANY OF NICARAGUA.

Section 6 of the act of Congress approved February 20, 1889, entitled "An act to incorporate the Maritime Canal Company of Nicaragua," provides that said company shall make a report of its operations on the first Monday in December, in each year, to the Secretary of the Interior.

An advance copy of the report of this corporation, showing its present status, has been received and is herewith transmitted (Appendix, Exhibit B). The official copy, it is stated, will be forwarded to the Department in time for transmission to Congress on the date prescribed by law.

REMOVAL OF OFFICE OF INDIAN AFFAIRS AND GENERAL LAND OFFICE.

The act of Congress approved June 4, 1897 (30 Stat. L., 28), provides, among other things, that—

As soon as the present Post-Office Department building is vacated, as herein provided, the same shall be turned over to and thereafter be under the control of the

Interior Department, to be occupied by the Indian Office, General Land Office, and such other offices or parts of offices or bureaus of the Department as the Secretary of the Interior shall direct.

On the 10th of October the Postmaster-General, having removed to the new post-office building on Pennsylvania avenue, tendered the old Post-Office Department building, located at the corner of Seventh and F streets NW., to this Department. The control of the building was accepted by the Department, under protest, however, for the reason that certain rooms and space therein had been reserved by the Post-Office Department for the accommodation of its files, etc., which the Postmaster-General claimed could not be removed by reason of lack of space in their new quarters. The building has been thoroughly cleaned, and such repairs as are necessary have been made.

A contract was duly let for the removal of the Indian Office, and the Bureau has been installed in its new quarters. Arrangements are now under consideration looking to the early removal of the General Land Office, which will leave the Interior Department building for the use of the Patent Office and the Secretary of the Interior.

In readjusting the space for these several bureaus the most difficult thing to provide for has been their voluminous records. These are valuable and should be stored in places that are fireproof, as, in many instances, it would be impossible to duplicate them. It is doubtful as to whether all of these records can be properly provided for in the space allotted for that purpose to the respective bureaus in the new building without unduly crowding the clerical force. This demonstrates the necessity for the construction of a hall or building in this city for the accommodation of the records of the Government. There is no doubt that in the other executive departments there is just as large an accumulation of important records as there is here. Such being the case, it would be in the interest of economy and good government to provide a suitable building in which to properly care for these various records, and legislation looking to that end should, in my judgment, be enacted by Congress.

IMPROVEMENT OF PENSION BUILDING.

In the sundry civil act approved March 3, 1899 (30 Stat. L., 1094), an appropriation of $5,000 was made for the building of an area and sewer from the west entrance of the Pension building and extending along the south side thereof to the eastern entrance. Proposals for the work were solicited by advertisement, and eight bids were received in response thereto, ranging from $12,459 to $17,245. As the lowest bid received ($12,459) was far in excess of the appropriation for the area and sewer, all bids were rejected. The necessity for this improvement of the Pension building is as great to day as it was at the time that the matter was originally brought to the attention of Congress, and I have

the honor, therefore, to recommend that in connection with the moneys already appropriated, Congress make such additional appropriation as will enable the Department to construct a suitable area and sewer at the Pension Office building under the existing plans for the work.

Very respectfully submitted.

ETHAN ALLEN HITCHCOCK.
Secretary of the Interior.

The PRESIDENT.

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PAPERS

ACCOMPANYING

THE REPORT OF SECRETARY OF THE INTERIOR.

REPORT OF COMMISSIONER OF GENERAL LAND OFFICE.

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, D. C., October 4, 1899.

SIR: I have the honor to submit the following as the annual report of this office for the fiscal year ending June 30, 1899:

This embraces tabulated statements showing the business done in the district land offices, 115 in number, with reports from the surveyors general, numbering 17, giving particulars of operations in their respective districts during the fiscal year, which will be found attached in their proper places.

In the number of original homestead entries there is shown an increase of 796 over the fiscal year ending June 30, 1898, and in the area embraced in such entries a decrease of 28,970.12 acres. In final homestead entries there was an increase in number of entries of 531, with an increase in area of land contained in such entries of 39,131.69 acres.

The entire disposals of public lands show an increase of 728,516.24 acres as compared with the aggregate of disposals during the fiscal year ending June 30, 1898.

The total cash receipts show an increase of $792,142.16.

DISPOSAL OF PUBLIC LANDS.

The following is a statement of the acreage disposed of during the fiscal year ending June 30, 1899:

CASH SALES.

	Acres.
Private entries	12,708.54
Public auction	31,353.54
Preemption entries	15,294.90
Timber and stone entries	59,019.11
Mineral-land entries	39,752.87
Desert-land entries	350,251.41
Excesses on homestead and other entries	9,381.31
Town sites	704.77
Town lots	1.37
Coal-land entries	5,054.58
Supplemental payments	54.87
Cash substitution	40.00
Sisseton and Wahpeton lands	9.15

	Acres.
Act January 13, 1881 (for the relief of certain settlers on restored railroad lands)	630.46
Act March 3, 1887 (sales of public land claimed on account of railroad grants)	49,819.08
Act September 29, 1890 (forfeited by railroad companies and sold to individuals)	53,777.78
Act September 30, 1890 (cemetery purposes, 26 Stat., p. 502)	40.00
Act August 15, 1894 (Yankton, Sioux, and Siletz Indian ceded lands)	12.87
Act March 1, 1895 (for relief of purchaser of land in sec. 36, T. 1 N., R. 9 W.)	41.00
Act January 18, 1897 (disposal of lands in Greer County, Okla.)	1,830.06
Act March 3, 1891 (to repeal timber-culture laws, and for other purposes, sec. 12)	79.40
Total	629,857.07

MISCELLANEOUS.

	Acres.	
Homestead entries, original	6,177,587.49	
Timber-culture entries	80.00	
Entries with—		
Military bounty land warrants	1,360.00	
Agricultural-college scrip	1,281.65	
Private-land scrip	320.00	
Sioux half-breed scrip	1,283.13	
Red Lake and Pembina scrip	280.00	
Valentine scrip	40.00	
State selections	1,354,185.62	
Railroad selections	754,002.37	
Wagon-road selections	3,402.45	
Indian allotments	15,533.46	
Forest reserve	320.00	
Donation claims	548.71	
Swamp lands patented	149,655.21	
Swamp-land indemnity	885.92	
		8,460,766.01
Total area of public-land entries and selections		9,090,623.08

INDIAN LANDS.

	Acres.	
Cherokee	207.48	
Klamath Indian Reserve	1,661.80	
Southern Ute	7,380.14	
Ute	24,160.14	
Osage trust and diminished reserve	4,692.39	
Kansas trust and diminished reserve	80.00	
Chippewa	49,677.45	
Flathead	551.10	
Ponca	104.60	
Omaha	1,079.18	
Sioux	974.27	
Colville Indian Reserve	1,221.53	
		91,790.08
Grand total		9,182,413.16

RECAPITULATION.

Area sold for cash	629,857.07
Area miscellaneous entries	8,460,766.01
Area Indian lands	91,790.08
Aggregate	9,182,413.16

Showing an increase of 728,516.24 acres, as compared with the aggregate of disposals for the fiscal year ending June 30, 1898.

The foregoing does not include the following entries, the areas of

which have been previously reported in the original entries of the respective classes:

	Acres.
Commuted timber-culture entries, act March 3, 1891	2,520.00
Commuted homesteads, section 2301, Revised Statutes	192,298.21
Commuted homesteads under act June 15, 1880	162.63
Commuted homesteads under special acts	285,253.11
Commuted homesteads under act August 15, 1894	25,577.99
Commuted homesteads under act June 3, 1896	1,979.99
Final desert-land entries	116,864.78
Final homestead-entries	3,104,149.44
Final timber-culture entries	748,942.50
Sisseton and Wahpeton lands	19,352.64
Under act January 18, 1897	112,937.87
Other areas, consisting of military bounty land warrants, scrip locations, etc	12,093.63
Total	4,622,132.31

The filings and fees thereon are stated in the annexed table:

Kind of filings.	Number.	Fees.
Preemption	440	$1,243
Homestead	110	241
Coal	820	2,436
Town site	3	7
Reservoir	9,733	20,438
Mineral applications	1,302	13,020
Timber and stone applications	550	5,500
Total	12,958	42,885
Mineral adverse claims	296	2,960
Total	13,254	45,845

Miscellaneous fees as follows:

Reducing testimony to writing, cancellation fees, etc	$74,543.57

CASH RECEIPTS.

The following is a statement of the cash receipts of the office from various sources during the fiscal year ending June 30, 1899:

Sales of land at private entry	$16,329.16
Sales of land at public auction	42,812.82
Sales of land by preemption entry	20,961.83
Sales of timber and stone land	147,696.48
Sales of mineral land	167,579.26
Sales of desert land	204,515.00
Commuted homesteads (sec. 2301, Rev. Stat.)	259,125.73
Commuted homesteads (sec. 2, act June 15, 1880)	196.30
Excesses on homestead and other entries	13,195.73
Timber-culture entries commuted under act March 3, 1891	3,150.00
Sales of town sites	1,393.00
Sales of town lots	1,200.50
Sales of coal lands	93,358.60
Supplemental payments	347.29
Cash substitution	250.00
Commuted homesteads	427,746.31
Cash for final homesteads	82,543.07
Final homesteads, Sioux Indian	70.00
Sisseton and Wahpeton lands	48,405.71
Indian lands, act March 3, 1891	3,948.15
Payments on Lake Traverse lands	2,409.60
Competitive bid	.50
Act January 13, 1881, for the relief of certain settlers on restored railroad lands	1,576.15

Act March 3, 1887, sales of public land claimed on account of railroad grants	$55,038.20
Act September 29, 1890, forfeited by railroad companies and sold to individuals	66,161.34
Act September 30, 1890, cemetery purposes (26 Stat., p. 502)	50.00
Act August 15, 1894, Yankton, Sioux, and Siletz Indian ceded lands	20,207.34
Act March 1, 1895, for relief of purchaser of land in sec. 36, T. 1 N., R. 9 W	51.30
Act March 2, 1895, restoration of lands in State of Alabama not needed for naval purposes	109.44
Act March 2, 1896, to confirm title in bona-fide purchaser from railroad company	20.00
Act January 18, 1897, disposal of land in Greer County, Okla	23,341.01
Act March 3, 1891, to repeal timber-culture laws and for other purposes, sec. 12	198.50
	1,703,988.32

FEES AND COMMISSIONS.

For homestead entries, original and final	$724,449.26	
For timber-culture entries, original and final	19,925.00	
For military bounty-land warrants	117.00	
For agricultural college scrip	4.00	
For State selections	15,908.00	
For railroad selections	9,500.00	
For wagon-road selections	48.00	
For Valentine scrip location	1.00	
For donation claims	25.00	
For commissions on Indian lands	332.34	
For fee erroneously collected	4.00	
For preemption, coal, and other filings	45,845.00	
For reducing testimony to writing, cancellation fees, etc	74,543.57	
		890,702.17
Total receipts from disposal of public land		2,594,690.49
Total receipts from disposal of Indian land		442,913.73
Total receipts from depredations on public land		15,049.63
Total receipts from sales of timber (act March 3, 1891)		3,065.14
Total receipts from sales of timber (act June 4, 1897)		1,499.25
Total receipts from sales of Government property		1,972.45
Total receipts for furnishing of records and plats		10,946.65
Total cash receipts		3,070,137.34

The total cash receipts for the fiscal year ending June 30, 1898, were $2,277,995.18, showing an increase in receipts for the year ending June 30, 1899, as compared with the preceding fiscal year, of $792,142.16.

The total expense of district land offices for salaries and commissions of registers and receivers, incidental expenses, and expenses of depositing public moneys, during the fiscal year ending June 30, 1899, was $661,402.27; an increase, as compared with the fiscal year ending June 30, 1898, of $43,990.50.

Number and class of final and original entries and selections made during the fiscal year compared with the year

Class of entry.	Number of entries.	Number of acres.	Cash receipts. Sales.	Cash receipts. Fees and commissions.
FINAL ENTRIES.				
Private	171	12,708.54	$16,329.16	
Public auction	535	31,353.54	42,812.82	
Preemption	114	15,294.90	20,961.83	
Timber and stone	537	59,019.11	147,696.48	
Mineral	1,406	39,752.87	167,579.26	
Desert land	787	116,864.78	116,950.81	
Commuted homesteads (sec. 2301, Rev. Stat.)	1,490	192,298.21	259,125.73	
Commuted homesteads (act June 15, 1880)	2	162.63	196.30	
Excesses on homesteads and other entries	3,019	9,381.31	13,195.73	
Timber-culture entries commuted under act March 3, 1891	18	2,520	3,150.00	
Town sites	7	704.77	1,393.00	
Town lots	21	1.37	[illegible]	
Coal lands	42	5,054.58	[illegible]	
Supplemental payments	24	200.[illegible]	[illegible]	
Graduation entries				
Abandoned military reservations				
Cash substitution	1	40	[illegible]	
Commuted homesteads under special acts	1,593	231,994.82	427,746.31	
Cash for final homesteads	378	55,277 [illegible]	[illegible]	
Ceded Indian lands	161	23,037.72	[illegible]	
Competitive bid			[illegible]	
Under act January 18, 1897	741	114,767.[illegible]	[illegible]	
Under sundry acts	786	130,658.82	[illegible]	
Homestead	22,812	3,134,149.44	[illegible]	
Timber culture	4,979	748,942.[illegible]	[illegible]	
Military bounty land warrants	36	4,598.28	[illegible]	
Scrip locations under the several acts	59	7,648	[illegible]	
Indian allotments	106	15,533.[illegible]	[illegible]	
Donation claims	4	548.72	[illegible]	
Final commissions on Indian lands				
Swamp land and swamp indemnity land		150,541.[illegible]		
Fee erroneously collected				
Total	39,829	5,103,046.05	1,616,424.13	129,059.18
Indian lands	1,175	91,790.08	442,913.73	
Total	*a* 41,004	5,194,836.13	2,059,337.86	129,059.18
ORIGINAL ENTRIES.				
Desert land	2,186	350,251.41	87,564.19	
Homestead	45,776	6,177,587.49		615,789.42
Timber culture	1	80		9.00
Total	47,963	6,527,918.90	87,564.19	615,798.42
RAILROAD, STATE, AND WAGON-ROAD SELECTIONS.				
Railroad	4,750	754,002.37		9,500.00
State, under the several acts	8,177	1,354,185.62		15,908.00
Wagon road	24	3,402.45		48.00
Total	12,951	2,111,590.44		25,456.00
FILING AND MISCELLANEOUS FEES.				
Filing fees and mineral adverse claims	13,254			45,845.00
Fees for reducing testimony to writing, etc				74,543.57
Total	13,254			120,388.57
RECAPITULATION BY TOTALS.				
Final entries	41,004	5,194,836.13	2,059,337.86	129,059.18
Original entries	47,963	6,527,918.90	87,564.19	615,798.42
Railroad, State, and wagon-road selections	12,951	2,111,590.44		25,456.00
Filing and miscellaneous fees	13,524			120,388.57
Total	115,172	13,834,345.47	2,146,902.05	890,702.17
Deduct totals of decrease				
Net total of increase				

a Entries originated and completed within the year embrace 542,903.82 acres; entries originating in former years and heretofore so reported, but completed during fiscal year 1899, embrace 4,651,932.31 acres; total acreage of final entries within the year, 5,194,836.13.

ending June 30, 1899; also the amount of cash for same, and increase or decrease, as ending June 30, 1898.

Increase as compared with 1898.				Decrease as compared with 1898.			
Number of entries.	Number of acres.	Cash sales.	Fees and commissions.	Number of entries.	Number of acres.	Cash sales.	Fees and commissions.
79	7,993.26	$10,155.69					
87	5,398.25	2,878.75					
2		594.41			104.18		
				36	1,936.62	$4,718.51	
				219	8,146.19	40,909.75	
243	37,698.14	48,599.48		6	10,943.21	13,296.46	
	82.96	106.20					
				241	186.17	76.31	
2	224.77	693.00		45	5,059.74	6,487.53	
	1.37						
12	975.95	18,947.00		69		9,252.60	
		129.80		10	281.79		
				29	2,420.37	640.45	
		200.00		5	519.34	975.05	
259	42,124.27	144,145.82					
378	55,277.80	82,613.07					
161	23,037.72	54,763.46					
		.50					
				168	22,086.35	5,760.64	
688	116,046.99	122,378.01					
531	39,131.69						$2,457.82
				712	119,191.23		2,840.00
11	1,018.28		827.50				
				48	2,370.80		15.00
				74	10,212.30		
4	548.71		25.00				
	69,428.17						291.28
			4.60				
2,457	398,988.33	486,196.19	56.50	1,662	183,458.29	82,116.70	5,604.10
658	59,596.89	342,596.24					
b 3,115	458,585.22	828,792.43	56.50	1,662	183,458.29	82,116.70	5,604.10
185	35,334.73	8,832.73					
796			10,388.12		28,970.12		
					80.00		5.00
981	35,334.73	8,832.73	10,388.12		29,050.12		5.00
263	43,658.50		526.00				
3,558	677,718.01		6,781.00				
				485	78,049.61		974.00
3,821	721,376.51		7,307.00	485	78,049.61		974.00
9,596			19,500.00				
			6,768.15				
9,596			26,268.15				
3,115	458,585.22	828,792.43	56.50	1,662	183,458.29	82,116.70	5,604.10
981	35,334.73	8,832.73	10,388.12		29,050.12		5.00
3,821	721,376.51		7,307.00	485	78,049.61		974.00
9,596			26,268.15				
17,513	1,215,296.46	837,625.16	44,019.77	2,147	290,558.02	82,116.70	6,583.10
2,147	290,558.02	82,116.70	6,583.10				
15,366	924,738.44	755,508.46	37,436.67				

b Net increase in number of final entries, 1,453; increase in area of final entries, 275,126.93 acres; net increase of original entries, 981; increase of area, 6,284.61 acres.

Issue of Patents for Lands Disposed of.

AGRICULTURAL PATENTS ISSUED.

Patents of the class denominated agricultural were issued during the fiscal year ending June 30, 1899, to the number of 34,407, containing approximately 5,505,120 acres, made up of the following, viz:

Cash patents	6,691
Homestead patents	22,254
Timber-culture patents	5,369
Military bounty-land patents	46
Agricultural college scrip patents	10
Supreme Court scrip patents	7
Surveyor-general's scrip patents	11
Sioux half-breed scrip patents	13
Choctaw scrip patents	2
Red Lake and Pembina patents	2
Forest reserve patents	2
Total	34,407

The class of patents embraced in the above includes all patents issued on final and commuted homestead entries, on desert land, timber-culture, preemption, private cash, town-site, and other entries embracing land of an agricultural, nonmineral character.

This statement shows an increase in the number of patents issued during the last fiscal year, as compared with the preceding year, of 4,114, and in the approximate number of acres contained therein an increase of 658,240.

MINERAL PATENTS.

Of mineral and mill-site patents 1,712 were issued, as against 1,259 for the fiscal year ending June 30, 1898, an increase of 453. Of coal patents, 38 were issued, as against 43 for the preceding year, and including an area of 3,883.1 acres, as against an area of 4,907.93 acres.

In the following table are shown the States and Territories in which mineral and mill-site and coal-land patents were issued:

State or Territory.	Coal land.	Area in acres.	Mineral and mill site.
Alaska			3
Arizona			36
California			125
Colorado	10	548.75	892
Florida			1
Idaho			57
Montana	12	1,321	187
Nevada			14
New Mexico	5	560	21
Oregon	1	160	15
South Dakota			100
Utah	1	173.35	217
Washington	5	840	38
Wyoming	4	280	6
Total	38	3,883.10	1,712

The mineral and mill-site patents issued, 1,712 in number, as above shown, embrace 3,853 mineral and mill-site claims and an area of 47,729.267 acres.

RAILROAD AND WAGON ROAD LANDS PATENTED.

During the fiscal year ending June 30, 1899, lands have been certified or patented on account of railroad grants as follows, viz:

Name of railroad.	Where located.	Number of acres.
Alabama and Chattanooga	Alabama	521.51
St. Louis, Iron Mountain and Southern	Missouri	80.00
Central Branch, Union Pacific	Kansas	356.36
Central Pacific (proper)	California	13,166.99
Do	Nevada	4,564.58
Do	Utah	1,122.99
Central Pacific (successor to Western Pacific)	California	160.00
Central Pacific (successor to California and Oregon)	do	19,505.74
Chicago, Rock Island and Pacific	Iowa	120.00
Florida Central and Peninsular	Florida	1,040.60
Union Pacific (successor to Kansas Pacific)	Kansas	2,175.80
Chicago, Milwaukee and St. Paul	Iowa	159.60
Missouri, Kansas and Texas	Kansas	240.00
New Orleans Pacific	Louisiana	1,091.58
Northern Pacific	Minnesota	5,868.84
Do	North Dakota	125,550.73
Do	Montana	9,889.49
Do	Idaho	163,423.18
Do	Washington	37,385.21
Do	Oregon	160.00
Oregon and California	do	97,095.26
Oregon and California (successor to Oregon Central)	do	520.00
Selma, Rome and Dalton	Alabama	39.84
Chicago, Milwaukee and St. Paul	Minnesota	40.00
South and North Alabama	Alabama	279.65
Southern Pacific (main line)	California	2,120.54
Southern Pacific (branch line)	do	8,156.16
Union Pacific (proper)	Utah	5,464.05
Do	Wyoming	640.00
Vicksburg and Meridian	Mississippi	802.12
Wisconsin Central	Wisconsin	2,910.41
Total		504,651.23

As against an area patented to railroads during the preceding fiscal year of 1,032,534.84 acres, showing a decrease of 527,883.61 acres.

There were patented under wagon-road grants during this year 60,391.77 acres. No patents were issued under wagon-road grants during the preceding year.

SWAMP-LAND PATENTS.

The following statement shows the acreage of swamp and overflowed lands and swamp-land indemnity lands patented during the fiscal year ending June 30, 1899; also the acreage reported to this office as claims of the several States to which the swamp laws have been extended, and the acreage approved by the Secretary of the Interior during the same period. There is also added the total acreage certified and patented from the date of the passage of the earliest of the swamp-land grants to June 30, 1899.

Swamp lands and swamp land indemnity lands selected, approved, and patented during the fiscal year ending June 30, 1899; also the total number of acres patented since the dates of the grants.

State.	Swamp lands.			Swamp-land indemnity lands.			Total patented since dates of grants.
	Selected.	Approved.	Patented.	Selected.	Certified.	Patented.	
	Acres.	*Acres.*	*Acres.*	*Acres.*	*Acres.*	*Acres.*	*Acres.*
Alabama							433, 282. 52
Arkansas		2, 547. 42	6, 516. 68				7, 680. 921. 84
California							1, 745, 938. 80
Florida	2, 079. 22	977. 87	1, 203. 15				17, 158. 174. 14
Illinois			128. 54				1, 458, 979. 83
Indiana							1, 258, 990. 93
Iowa	533. 71	150. 05				240. 00	1, 189, 522. 45
Louisiana:							
Act of 1849	1, 667. 22	13, 012. 10	13, 012. 10				8, 733, 038. 57
Act of 1850	1, 003. 02	237. 88	3, 024. 35		587. 98	645. 92	334, 488. 99
Michigan		40. 00	40. 00				5, 675, 711. 50
Minnesota	57, 137. 69	125, 029. 36	110, 385. 17				3, 765, 612. 17
Mississippi		1, 508. 01					3, 320, 395. 29
Missouri			158. 52				3, 423, 713. 97
Ohio							25, 776. 95
Oregon	97. 09	15, 833. 92	14, 915. 30				237, 483. 23
Wisconsin		111. 40	271. 40				3, 355, 206. 22
Total	62, 517. 95	159, 448. 01	149, 655. 21		587. 98	885. 92	59, 797, 237. 40

From the above table it will be seen that there were certified under the act of March 2, 1849, or patented under the act of September 28, 1850, as swamp land in place 149,655.21 acres, and that there were patented under the act of March 2, 1855, as swamp land indemnity lands 885.92 acres, making a total of 150,541.13 acres certified or patented under the swamp land laws during the fiscal year. The patents issued under these laws in the previous year amounted to 78,959.14 acres of swamp lands in place and 2,153.82 acres of swamp-land indemnity lands, making a total of 81,112.96 acres. Thus there were patented under the swamp land laws during the last fiscal year 69,428.17 acres more than in the previous year.

INDIAN AND MISCELLANEOUS PATENTS.

The following statement shows the area of lands embraced in Indian and miscellaneous patents issued during the fiscal year ending June 30, 1899, by States and Territories, viz:

State or Territory.	Acres.	State or Territory.	Acres.
Arizona	99, 445. 21	Nebraska	2, 280. 00
California	19, 631. 89	New Mexico	55. 512. 45
Florida	4, 135. 05	Ohio	321. 52
Indian Territory	200. 00	South Dakota	1, 573. 00
Kansas	85. 28	Wisconsin	14, 036. 00
Louisiana	14, 818. 21		
Mississippi	640. 00	Total	212, 848. 73
Missouri	170. 12		

This is an increase in area, as compared with the last previous fiscal year, of 36,275.825 acres, the area patented during the last previous fiscal year having been 176,572.905 acres.

CERTIFICATION OF LANDS GRANTED FOR EDUCATIONAL AND OTHER PURPOSES.

Lists of lands selected by the several States and Territories, and approved by the Secretary of the Interior, were duly certified during the last fiscal year to the amount of 420,760.15 acres.

The following is a table of the lists certified:

State or Territory.	Land district.	Date of approval.	No. of list.	Grant.		Amount certified.
				Authority of law.	Purpose for which granted.	
						Acres.
California	San Francisco	July 30, 1898	64	Sec. 7, act Mar. 3, 1853.	School-land indemnity.	3,599.46
Do	Stockton	June 1, 1899	21	do	do	2,713.16
Do	Visalia	Aug. 19, 1898	10	do	do	2,304.40
Do	do	May 13, 1899	11	do	do	4,918.71
Colorado	Pueblo	Feb. 23, 1899	11	Sec. 7, act Mar. 3, 1875.	do	5,595.68
Do	do	Feb. 25, 1899	12	do	do	1,880.29
Florida	Gainesville	Apr. 20, 1899	20	Sec. 1, act Mar. 3, 1845.	do	244.43
Louisiana	New Orleans	Apr. 14, 1899	25	Act May 20, 1826	do	279.10
Do	do	June 29, 1899	5	do	Internal improvements.	1,554.44
Minnesota	Duluth	Aug. 8, 1898	5	Mar. 3, 1879	Saline lands	3,627.09
Mississippi	Jackson	Jan. 31, 1899	1	Mar. 2, 1895	Industrial school for girls.	21,920.82
Missouri	Springfield	Dec. 6, 1898	4	June 22, 1874	School-land indemnity.	1,611.66
Montana	Missoula	Aug. 24, 1898	8	Sec. 17, act Feb. 22, 1889.	Public buildings	3,858
Nebraska	O'Neill	Nov. 9, 1898	2	Act Apr. 19, 1864	School-land indemnity.	3,422.11
Nevada	Carson City	July 22, 1898	27	Sec. 1, act June 16, 1880.	Support of common schools.	15,249.12
Do	do	Mar. 2, 1899	28	do	do	12,724.66
Do	do	June 12, 1899	29	do	do	25,413.93
North Dakota	Bismarck	Aug. 25, 1898	9	Sec. 16, act Feb. 22, 1889.	Agricultural college.	947.32
Do	do	do	10	Sec. 17, act Feb. 22, 1889.	Reform school	160
Do	do	do	6	Sec. 14, act Feb. 22, 1889.	State university	654.70
Do	do	Aug. 24, 1898	9	Sec. 17, act Feb. 22, 1889.	School of mines	159.64
Do	Devils Lake	Aug. 25, 1898	10	do	State normal school.	239.75
Do	Grand Forks	Oct. 18, 1898	11	do	do	2,193.25
Oregon	Burns	Feb. 28, 1899	3	Sec. 4, act Feb. 14, 1859.	School-land indemnity.	4,854.95
Do	do	Apr. 24, 1899	4	do	do	40.00
Do	Lakeview	May 25, 1899	16	do	do	2,126.15
Do	Oregon City	July 9, 1898	17	do	do	16,435.67
Do	do	July 21, 1898	18	do	do	2,094.60
Do	do	Feb. 23, 1899	19	do	do	1,484.44
Do	Roseburg	Mar. 28, 1899	17	do	do	1,164.16
Do	The Dalles	July 30, 1898	16	do	do	4,653.75
Do	do	Aug. 9, 1898	17	do	do	5,360.54
Do	do	Mar. 23, 1899	18	do	do	6,761.13
South Dakota	Aberdeen	Aug. 2, 1898	5	Sec. 17, act Feb. 22, 1889.	State normal school.	320.00
Do	do	Aug. 3, 1898	7	Sec. 16, act Feb. 22, 1889.	Agricultural college.	1,121.66
Do	Huron	Aug. 2, 1898	5	do	do	472.10
Do	do	Aug. 3, 1898	5	Sec. 17, act Feb. 22, 1889.	School of mines	3,961.13
Do	Pierre	do	10	do	Charitable, educational, etc., institutions.	2,958.94
Utah	Salt Lake City	Oct. 31, 1898	2	Sec. 8, act July 16, 1894.	Agricultural college.	9,258.13
Do	do	Nov. 11, 1898	2	Sec. 12, act July 16, 1894.	School of mines	4,347.18
Do	do	Nov. 21, 1898	2	do	Reservoirs	22,670.66
Do	do	Jan. 14, 1899	1	do	Deaf and dumb asylum.	2,994.23
Do	do	Jan. 20, 1899	2	Sec. 8, act July 16, 1894.	State university	2,321.53

Certification of lands granted for educational and other purposes—Continued.

State or Territory.	Land district.	Date of approval.	No. of list.	Grant.		Amount certified.
				Authority or law.	Purpose for which granted.	
						Acres.
Utah	Salt Lake City	Feb. 9, 1899	2	Sec. 12, act July 16, 1894.	Insane asylum	5,330.42
Do	do	do	1	do	Reform school	3,800.12
Washington	Olympia	Aug. 17, 1898	14	Sec. 17, act Feb. 22, 1889.	Charitable, educational, etc., institutions.	19,000.23
Do	do	Mar. 23, 1899	15	do	do	5,933.99
Wyoming	Cheyenne	Sept. 12, 1898	15	Sec. 11, act July 10, 1890.	do	13,057.04
Do	do	Oct. 8, 1898	16	do	do	11,135.30
Do	do	Oct. 27, 1898	8	Sec. 10, act July 10, 1890.	Agricultural college.	16,629.60
Do	do	May 19, 1899	1	Sec. 4, act July 10, 1890.	School-land indemnity.	111,872.38
Do	Douglas	Aug. 2, 1898	5	Sec. 11, act July 10, 1890.	Deaf and dumb asylum.	560.00
Do	do	Oct. 28, 1898	2	do	Penal and reformatory institutions.	320.00
Do	Lander	Mar. 9, 1899	9	Sec. 10, act July 10, 1890.	Agricultural college.	22,448.40
Total						420,760.15

The foregoing statement shows that 420,760.15 acres were approved and certified during the fiscal year. The aggregate of lands of the same class certified during the fiscal year ending June 30, 1898, was 459,122.66 acres, showing a decrease during the last fiscal year of 38,362.51 acres.

In addition to this, selections aggregating 73,539.39 acres were canceled during the year.

PRIVATE LAND CLAIMS.

Two private land claims in New Mexico, which were confirmed by the Court of Private Land Claims, have been patented during the fiscal year, but more than twenty other claims so confirmed and surveyed could be patented if the claimants would make the payments required by law. Section 10 of the act approved March 3, 1891 (26 Stat., 854), provides, among other things, that—

> One half of the necessary expenses of making the survey and plat provided for in this section, and in respect of which a patent shall be ordered to be issued, shall be paid by the claimant or patentee, and shall be a lien on said land, which may be enforced by the sale of so much thereof as may be necessary for that purpose, after a default of payment thereof for six months next after the approval of such survey and plat; and no patent shall issue until such payment.

The claimants have been duly notified by the United States surveyor-general for New Mexico of this requirement, and have failed to respond thereto, although in some cases more than four years have elapsed since the approval of the surveys and plats.

The method of enforcing the lien for such surveys is not provided for by the act, but it is presumed that it would require an action at law, on behalf of the United States against the owners of any such grant, to recover the sum due for surveying and platting the claim.

In order, therefore, that these cases may be disposed of in some manner, I respectfully recommend that the Attorney-General be requested to render an opinion as to the mode of procedure to be followed in enforcing the lien provided for by the act aforesaid.

Forty patents have been issued for private land claims in various States, which have been confirmed by acts of Congress, aggregating an area of 119,855.39 acres, and 718 patents have been issued in favor of Indian allottees, with an area of 37,480.89 acres.

Recapitulation of areas embraced in patents as stated in the foregoing.

Patents.	1898.	1899.	Increase.	Decrease.
	Acres.	*Acres.*	*Acres.*	*Acres.*
Agricultural	4,846,880	5,505,120	658,240	
Coal	4,907.93	3,883.10		1,024.83
Mineral and mill site	31,605.411	47,729.267	16,123,856	
Railroad	1,032,534.84	504,651.23		527,883.61
Wagon road		60,391.77	60,391.77	
Swamp	78,959.14	149,655.21	70,696.07	
Swamp indemnity	2,153.82	885.92		1,267.90
Indian and miscellaneous	176,572.905	212,848.73	36,275.825	
School selections	459,122.66	420,760.15		38,362.51
Total	6,632,736.706	6,905,925.377	841,727.521	568,538.85

Net increase, 273,188.671 acres.

BOUNTY LAND BUSINESS.

The following is a statement of the number of acres represented by military-bounty land warrants located in the several land States and Territories for the year ending June 30, 1899, or not heretofore reported, which warrants were issued under the acts of 1847, 1850, 1852, and 1855. The aggregate number of acres is computed at the rate of $1.25 per acre. It does not show the exact area of the lands located with the warrants.

State or Territory.	Acres.	State or Territory.	Acres.
Alabama	160	New Mexico	160
Arizona	320	North Dakota	320
California	640	Oregon	320
Colorado	1,400	South Dakota	120
Kansas	80	Utah	1,800
Minnesota	2,480	Washington	800
Missouri	200	Wyoming	40
Montana	800		
Nebraska	120	Total	9,760

Summary of warrants.

Denomination of warrants.	40 acres.	80 acres.	120 acres.	160 acres.	Total.
Act of 1847				2	320
Act of 1850	6	3		2	800
Act of 1852	1				40
Act of 1855		6	9	44	8,600
Total	7	9	9	48	9,760

FINAL ENTRIES PENDING.

It appears from the reports of the different divisions of this office that at the close of the fiscal year ending June 30, 1899, there were 16,354 final entries pending, a decrease of 76 below the number of final entries pending in the office June 30, 1898.

VACANT PUBLIC LANDS, WITH AREA RESERVED AND APPROPRIATED.

Reports have been received from the various land offices giving an approximate estimate of the quantity of vacant public lands, together with the area reserved and appropriated, in the several land districts at the close of the fiscal year ending June 30, 1899, of which the following is presented as a recapitulation:

State or Territory.	Area unappropriated and unreserved.			Area reserved.	Area appropriated.
	Surveyed.	Unsurveyed.	Total.		
	Acres.	*Acres.*	*Acres.*	*Acres.*	*Acres.*
Alabama	428,883	.....	428,883	93,000	32,136,037
Alaska	(1)	359,492,760	359,492,760	8,610,920	(1)
Arizona	10,887,865	41,337,596	52,225,461	14,871,386	5,695,473
Arkansas	3,833,423	.....	3,833,423	2,560	20,707,697
California	34,762,949	8,162,347	42,925,296	16,023,766	41,020,858
Colorado	35,647,881	4,538,110	40,185,991	5,469,853	20,692,316
Florida	1,532,766	157,662	1,690,428	19,259	33,362,953
Idaho	11,670,635	32,325,773	43,996,408	1,742,809	7,554,223
Illinois	.....	.....	.....	.....	35,842,560
Indiana	.....	.....	.....	.....	22,950,400
Indian Territory	.....	.....	.....	19,658,880	.....
Iowa	.....	.....	.....	.....	35,646,080
Kansas	1,059,664	.....	1,059,664	1,086,765	50,236,291
Louisiana	528,062	65,018	593,080	1,474,834	26,987,446
Michigan	473,013	.....	473,013	87,746	36,258,441
Minnesota	3,317,486	2,309,908	5,627,394	5,023,649	40,547,037
Mississippi	285,730	.....	285,730	.....	29,399,590
Missouri	449,029	.....	449,029	.....	43,946,811
Montana	18,535,425	50,538,066	69,073,491	11,511,531	13,008,578
Nebraska	10,221,567	.....	10,221,567	70,522	38,845,191
Nevada	29,168,462	32,158,278	61,326,740	5,983,409	3,026,491
New Mexico	43,558,099	13,492,551	57,050,650	5,952,048	15,426,102
North Dakota	12,091,904	7,836,126	19,928,030	3,493,831	21,488,219
Ohio	.....	.....	.....	.....	26,992,720
Oklahoma	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Oregon	24,145,544	11,182,794	35,328,338	5,500,821	20,448,281
South Dakota	11,076,557	1,030,557	12,107,114	12,908,977	24,190,309
Utah	9,770,066	34,034,441	43,804,507	5,038,971	3,697,962
Washington	5,386,940	6,369,845	11,756,785	12,530,560	18,459,535
Wisconsin	[illegible]	.....	[illegible]	[illegible]	[illegible]
Wyoming	42,709,311	6,068,042	48,777,343	8,113,396	5,542,541
Grand total	318,205,724	611,102,344	929,308,068	152,830,153	727,491,619

[1] The unreserved lands in Alaska are mostly unsurveyed and unappropriated.

PUBLIC SURVEYS.

The areas covered by surveys accepted by this office during the fiscal year ending June 30, 1899, are as follows:

State or Territory.	Acres.	State or Territory.	Acres.
Arizona	102,688	North Dakota	2,259,095
California	8,887	Oregon	382,175
Colorado	145,213	South Dakota	1,720,404
Idaho	788,503	Utah	621,174
Minnesota	99,021	Washington	637,626
Montana	1,803,662	Wyoming	697,449
Nebraska	8,057		
Nevada	136,545	Total	9,842,415
New Mexico	342,406		

By the act of Congress approved July 1, 1898 (30 Stat. L., 619), making appropriation for sundry civil expenses of the Government for the fiscal year ending June 30, 1899, and for other purposes, there was appropriated "For surveys and resurveys of public lands" the sum of

$325,000, of which amount the Commissioner of the General Land Office was authorized to expend so much as he might deem necessary for examinations in the field, etc.

Deducting the sum of $75,000 set aside to cover the cost of field examinations and the sum of $10,000 reserved for emergencies, there remained available for apportionment among the several surveying districts the sum of $240,000. The apportionment made to the several districts was as follows:

Arizona	$10,000	Oregon	$20,000
California	10,000	South Dakota	2,000
Colorado	6,000	Utah	20,000
Idaho	32,000	Washington	40,000
Minnesota	5,000	Wyoming	20,000
Montana	40,000	Examinations	75,000
Nevada	5,000	Reserve	10,000
New Mexico	10,000		
North Dakota	20,000	Total	325,000

The annual surveying instructions for the fiscal year ending June 30, 1899, which were issued under date of August 26, 1898, will be found in the appropriate place in this report.

TRANSACTIONS IN THE SEVERAL SURVEYING DISTRICTS.

ALASKA.

At the time of making the annual apportionment of the appropriation for surveying the public lands for the year ending June 30, 1899, the rectangular system of surveys, the system under which the public lands are surveyed, had not been extended to Alaska; therefore no part of the appropriation for surveying the public lands for the year ending June 30, 1899, was apportioned to the district of Alaska.

By the act of Congress approved March 3, 1899 (30 Stat. L., 1097), the rectangular system of surveys was extended to the district of Alaska.

Such surveys as were made in the district of Alaska prior to March 3, 1899, were made as authorized by the act of Congress approved March 3, 1891, and in compliance with circular instructions dated June 3, 1891, prepared in accordance with said act, providing that the survey of lands for town-site, trading, and manufacturing purposes should be paid for from deposits made by the applicants desiring such surveys, and under the instructions issued by the General Land Office and approved by the Secretary of the Interior, dated June 8, 1898, as provided for by the act of Congress approved May 14, 1898 (30 Stat. L., 409).

By his decision rendered November 28, 1898, the Secretary of the Interior has construed the act of May 14, 1898, to relieve the General Land Office of supervision over all Alaska surveys initiated subsequent to January 21, 1898, in so far as the approval of the Commissioner is a condition precedent to the filing of the plats and the publication of said surveys, but not depriving the General Land Office of final authority to accept or reject the same in connection with the consideration of the applications for patent. This decision will necessarily take away from the surveying division the direct authority over Alaska surveys and leave but such advisory functions as may be required by the preemption division in passing upon patents of lands surveyed under said act.

The present law permits these surveys to be made after private

agreement between the settlers or claimants and some duly authorized deputy surveyor. The surveys are not paid for by the United States, nor does the Department have any control over the compensation therefor. The supervisory authority is vested finally in the surveyor-general, except in so far as the Commissioner of the General Land Office may see fit to exercise his authority by means of denial of patent.

On June 30, 1898, there were pending before this office 2 surveys unacted upon and 46 suspended surveys. There have been received from the surveyor-general during the fiscal year returns of 18 original surveys and 20 amended surveys, making in all before this office for action 20 original surveys, 20 amended surveys, and 26 of the suspended surveys, still suspended and so far without amended returns filed.

Action during the fiscal year has been taken as follows: Of the original surveys, 2 were suspended and 13 rejected, leaving 5 unacted upon. Of the amended surveys, 12 have been accepted, 6 suspended, and 2 rejected, leaving none pending at the close of the fiscal year.

In the case of the survey of mineral claims in Alaska the same rule applies as governs the survey of mineral surveys in the other States and Territories of the United States; the cost of making the surveys is borne by the applicant, and he is allowed to employ any authorized deputy mineral surveyor whom he may desire.

The applicant must also deposit a sufficient amount to cover the expense of the office work of the surveyor-general in connection with such mineral surveys.

During the fiscal year ending June 30, 1899, 14 applications for mineral surveys were made; the returns of 30 mineral surveys were acted upon; 83 nonmineral surveys were acted upon; 14 mineral and 15 nonmineral surveys were approved. One thousand three hundred and twenty dollars was deposited for office work, which amount was embraced in 20 certificates of deposit.

The correspondence of the office for the year was as follows: Official letters received, 379; miscellaneous letters received, 447; official letters written, 349; miscellaneous letters written, 726; estimates for office work made, 21; orders for surveys issued, 21; special instructions issued, 22.

The surveyor general estimates that the sum of $103,872 will be necessary to make such surveys as will be applied for for the year ending June 30, 1901.

In support of the above estimate the surveyor-general says:

> At first glance the foregoing estimate for surveys may appear unduly large, but when it is considered that this district embraces an area of unsurveyed lands almost if not altogether equal to that of all the other surveying districts combined, it will be noticed that it is very conservative.
>
> Frequent inquiries are made of this office from various parts of Alaska relative to the extension of the public surveys. These inquiries are generally made by settlers on the public lands who desire to acquire titles to their homes.
>
> Owing to the discovery of rich mineral deposits in almost every part of the district, this country is rapidly developing along all lines. With each succeeding year settlers will no doubt become more clamorous for the extension of the lines of public surveys to include their claims, and the Government should heed their request to the limit of its ability. Those who endure the hardship and deprivations incident upon clearing their claims and building homes in this remote and isolated region deserve generous consideration.
>
> The estimates are all made at the maximum rates now allowed by law, and it is problematic whether contracts at those prices can be made with competent and reliable surveyors, for the reason that the country is remote from the base of supplies, wages are high, the season in which it is possible to execute surveys is short, and the physical impediments are various and great.

* * * * * * *

RAILROAD LAND GRANTS.

There have been certified and patented under the several railroad land grants made by Congress to aid in the construction of railroads during the fiscal year ending June 30, 1899, 504,651.23 acres of land, a decrease, as compared with the acreage patented the preceding year, of 527,883.61 acres; and there have been patented during the past year, under the several grants to aid in the construction of wagon roads, 60,391.77 acres, the whole being an increase as compared with the previous year, no lands having been patented during such year on account of wagon-road grants.

A detailed statement of the lands so certified or patented by companies and States will be found on page 13 of this report.

ADJUSTMENTS.

During the past year examinations looking to the adjustment of the following railroad grants have been completed, viz:

Northern Pacific (main line)	Wisconsin.
Do	Minnesota.
Do	Washington.
Do	Oregon.
Northern Pacific (branch line)	Washington.
Do	Oregon.
Union Pacific	Nebraska.
Do	Colorado.
Do	Wyoming.
Do	Utah.
Sioux City and Pacific	Iowa.
Do	Nebraska.
St. Paul, Minneapolis and Manitoba (main line), acts 1857 and 1865	Minnesota.
St. Paul, Minneapolis and Manitoba (branch line)	Do.
Chicago, Milwaukee and St. Paul	Iowa.

The examinations of the St. Paul, Minneapolis and Manitoba grants, both main and branch lines, and of the Sioux City and Pacific grant were reexaminations made necessary by decisions of the Supreme Court and of the Department which changed the status of certain claims shown by the records, preemption filings especially, giving a different effect to such claims upon railroad grants from that the Department previously held they had. For the same reason two examinations of the grants to the Northern Pacific Company in the States named were made, the second being made necessary by changes in the rulings whereby certain claims which had previously been held to defeat a railroad grant were held not to do so. Particular mention will be made of these rulings further on under the caption of decisions.

The complete adjustment of the grants of the Northern Pacific Railroad Company in so far as it is possible to make it, in view of the fact that there are still large quantities of unsurveyed lands within the company limits, shows the whole area of the grant by the act of July 2, 1864, for both the main and branch lines, to be 34,366,900.15 acres, and the whole area of that by the joint resolution of May 31, 1870, to be 2,203,199.54 acres, making together 36,570,099.69 acres as the quantity to which the company is entitled under both grants.

Of this quantity the company has received under the former grant 20,630,587.87 acres, and under the latter 1,087,680.11 acres, making a total of 21,718,267.98 acres. There is therefore still due the company 14,851,831.71 acres.

The adjustment shows that there will be a deficiency of over half a

million acres 612,605.49 acres; in the grant by the joint resolution of May 31, 1870; and while it also apparently shows that there are sufficient lands available to fully satisfy the grants for the main and branch lines under the act of 1864, in view of the fact that there are large quantities of unsurveyed lands within the limits of said grants, and of the probability that many of these lands may be found to be mineral in character, it may be found upon the final adjustment that the grants of 1864 are also deficient.

The whole area of the grant to the Union Pacific Railroad Company is found to be 12,129,841.89 acres. Of this quantity the company has received patents for 6,976,196.29 acres, leaving due it 5,153,645.60 acres. As no provision was made for indemnity for losses within the primary limits of this grant there will probably be a considerable deficiency; but as so large a quantity of land remains unsurveyed, no accurate estimate can be made at present of the probable loss.

The adjustment of the grants to the St. Paul, Minneapolis and Manitoba Company for its main and branch lines shows the whole area of the grant for the main line to be 1,287,227.67 acres, and that the company has actually received on account thereof 1,298 202.51 acres, an excess of 10,974.84 acres. The area of the grant for the branch line, the Brainerd branch (that portion of which lying between Watab and Brainerd being known as the St. Paul and Northern Pacific Railroad), is 637,793.04 acres, and there have been conveyed on account thereof 556,172.04 acres, leaving a balance due (as these grants must be adjusted together) of 70,646.16 acres. To make up this quantity there are chargeable to the grant as listed and vacant within the primary limits of the main line 12,555.72 acres and within the primary limits of the branch line 2,503.41 acres, which will leave a balance due as indemnity of 55,587.03 acres.

The Manitoba company has released within the primary limits of the main line under the provisions of the act of August 5, 1892 (27 Stat., 390), 29,008.40 acres, for which it is entitled to indemnity, and the question as to the disposition to be made of this item in the adjustment is under consideration and will be submitted to the Department at an early day.

Adjustments of the grants for the St. Paul, Minneapolis and Manitoba Company's St. Vincent extension and Brainerd branch under the act of March 2, 1871 (reexamination); the Southern Pacific main line, act of July 27, 1866, and joint resolution of June 28, 1870; the St. Louis, Iron Mountain and Southern Railroad (reexamination); the Kansas Pacific Railway, and the Oregon and California in Oregon, are in process and will be submitted when completed.

The adjustments pending before the Department June 30, 1899, were:

Name of road.	Date of submission.
Oregon Central Military Wagon road	July 28, 1894
Cedar Rapids and Missouri River (resubmitted on motion for review)	Mar. 9, 1897

The grants to aid in the construction of the following railroads and wagon roads have been examined at various times with a view to their final adjustment; have been submitted with recommendations to the Department, and have been returned with instructions, chiefly with reference to the institution of suits for the recovery of title to lands found to have been erroneously certified or patented, or of the Govern-

ment price thereof if they had been sold by the grantee company to bona fide purchasers whose claims were found to be protected by the act of March 3, 1887 (24 Stat., 556), or whose titles were confirmed by the act of March 2, 1896 (29 Stat., 42):

Name of road.	Date of return.
Chicago, St. Paul, Minneapolis and Omaha	Feb. 12, 1887
Hannibal and St. Joseph	May 29, 1887
Grand Rapids and Indiana	June 30, 1887
Sioux City and St. Paul	July 27, 1887
Missouri, Kansas and Texas	Aug. 2, 1887
Winona and St. Peter	Dec. 26, 1889
Coosa and Tennessee	July 25, 1890
Dubuque and Pacific	Apr. 9, 1891
St. Paul, Minneapolis and Manitoba (main line and St. Vincent extension)	June 10, 1891
Hastings and Dakota	June 23, 1891
St. Louis, Iron Mountain and Southern (Arkansas)	Nov. 16, 1891
Chicago, Milwaukee and St. Paul	July 29, 1892
Chicago, Milwaukee and St. Paul (on resubmission of July 23, 1898)	Oct. 21, 1898
Vicksburg, Shreveport and Pacific	May 18, 1892
Coos Bay Military Wagon road	Sept. 1, 1892
Bay de Noquet and Marquette	Oct. 3, 1892
Mobile and Girard	Apr. 24, 1893
Alabama and Florida	Dec. 26, 1893
Florida and Alabama	Do.
Willamette Valley and Cascade Mountain Wagon road Co	Jan. 27, 1894
St. Louis, Iron Mountain and Southern (Missouri)	Feb. 12, 1894
Southwest Pacific	Mar. 21, 1894
Little Rock and Fort Smith	Oct. 10, 1894
Florida Central and Peninsular	Dec. 6, 1894
South and North Alabama	Dec. 22, 1894
Do	Jan. 12, 1895
Burlington and Missouri River (Iowa)	July 9, 1895
Atchison, Topeka and Santa Fe	July 18, 1895
Atlantic and Pacific (Missouri) or St. Louis and San Francisco (Springfield to west boundary of State)	Sept. 23, 1895
Leavenworth, Lawrence and Galveston	Feb. 21, 1896
Chicago and Northwestern (Wisconsin)	Oct. 16, 1896
Wills Valley, now Alabama and Chattanooga	Mar. 15, 1897
Northeast and Southwest Alabama, now Alabama and Chattanooga	Do.
Chicago, Rock Island and Pacific	Nov. 30, 1897
Vicksburg and Meridian	July 18, 1898
Northern Pacific in Montana	June 29, 1899

The adjustment of the Cedar Rapids and Missouri Railroad grant of Iowa had twice been submitted to the Department and returned to this office, but was again before the Department on motion for review at the close of the year. It has, however, since then been returned for final disposal.

In the process of the adjustments of these grants large quantities of lands have been discovered to have been erroneously certified or patented under them. Numerous suits have been introduced against the companies receiving the erroneously certified and patented lands and considerable quantities of such lands have been recovered and restored to entry under the laws providing for the disposal of the public lands.

During the past year about 1,000,000 acres of land recovered in a suit brought against the Southern Pacific Railroad Company branch line were restored and opened to entry. Supplemental proceedings involving a portion of these lands, which had been sold by the company, are pending in the courts, and there are still pending two suits against this company involving lands within both its main and branch lines aggregating about 2,300,000 acres.

In a number of cases the claims of bona fide purchasers to erroneously patented lands have been declared confirmed by the Department under the provisions of the act of March 2, 1896 (29 Stat. L., 42), demands made upon the railroad companies for whose benefit said lands were erroneously certified or patented for the Government price thereof, and

in some of the cases, after response by the companies, reports have been made to the Department with recommendation that suit be instituted for the recovery of the Government price.

RIGHT-OF-WAY RAILROADS.

By the act approved March 3, 1875 (18 Stat. L., 482), Congress granted to railroads, upon certain conditions, right of way through the public lands.

Under the provisions of this act, and of special acts, 481 companies have filed articles of incorporation which have been accepted, 23 of which were accepted during the fiscal year ended June 30, 1899. Right of way has been approved to 381 companies, 5 of which received their first approvals during the same period. There were received during the year 206 maps of locations of railroads, 19 of which have been approved, 13 have been filed not requiring approval, 4 are pending before the honorable Secretary, and 167 have been otherwise disposed of, a few of which were rejected, the rest having been returned for correction.

RIGHT OF WAY FOR IRRIGATION AND OTHER PURPOSES.

Sections 18, 19, 20, and 21 of the act of Congress approved March 3, 1891 (26 Stat. L., 1095), as amended by the act of May 11, 1898 (30 Stat. L., 404), grant right of way over the public lands and reservations of the United States for canals, ditches, and reservoirs, for purposes of irrigation and for purposes of a public nature; also for purposes of water transportation, for domestic purposes, or for the development of power as subsidiary to the main purpose of irrigation. Such rights of way may be applied for by corporations, individuals, and associations of individuals, in accordance with certain requirements as to the filing of papers and maps.

The regulations require the application to show with certainty the location of the proposed canal or reservoir, so that the approved map will be an accurate record of the extent of the right of way, and thus define clearly the rights granted by the act, and those of future settlers along the ditch or reservoir.

Under the provisions of this act right of way has been approved to 206 companies, individuals, and associations of individuals, of which 33 received their first approvals during the past year. There have been received during the year 194 maps; 45 have been approved, 3 have been filed not requiring approval, 4 are pending before the Secretary, and 107 have been otherwise disposed of, a few of which were rejected, the rest being returned for correction.

STATE DESERT-LAND SEGREGATIONS.

By section 4 of the act of August 18, 1894 (28 Stat. L., 372–422), provision is made for the donation to each of the States in which there may be situated desert lands of not more than 1,000,000 acres of such land as the State may cause to be irrigated, reclaimed, occupied, and cultivated by actual settlers. This act has been amended by a provision in the act of June 11, 1896 (29 Stat. L., 413–434), to the effect that a lien is authorized to be created by the State upon the lands segregated, and that when an ample supply of water is actually furnished to any tract or tracts thereof, patent shall issue to the State for the same, without regard to settlement or cultivation.

During the year two lists have been filed by the State of Montana,

both of which have been approved. Several lists previously received have been refiled during the year and have been duly acted upon. Three lists (Nos. 2, 3, and 4) aggregating 50,200.92 acres, filed by the State of Montana, have been approved during the year. One list filed by the State of Wyoming (No. 13), involving 160 acres, was also approved.

PERMISSION TO USE RIGHT OF WAY FOR TRAMROADS, CANALS, AND RESERVOIRS.

By the act of January 21, 1895 (28 Stat. L., 635), the Secretary of the Interior was authorized to permit the use of right of way upon the public lands not within the limits of any park, forest, military or Indian reservation, for tramroads, canals, or reservoirs, by any citizen or association of citizens engaged in the business of mining or quarrying or cutting timber and manufacturing lumber.

There have been received during the year, under this act, six maps. One has been approved, four have been acted upon, and two are still awaiting action.

PERMISSION TO USE RIGHT OF WAY FOR ELECTRICAL PURPOSES.

By the act of May 14, 1896 (29 Stat. L., 120), the above act of 1895 was amended by the addition of a section authorizing the Secretary of the Interior to permit the use of right of way upon public lands and forest reservations, together with the use of necessary grounds, not exceeding 40 acres, for electrical purposes.

Under the provisions of this act applications for permission to use right of way and necessary grounds have been approved to eight companies, individuals, and associations of individuals, of which four received their first approvals during the past year.

There were received during the year 14 maps; 5 have been approved, and 17 have been otherwise disposed of, most of them having been returned for correction.

RESERVOIRS FOR THE PURPOSES OF STOCK BREEDING AND TRANSPORTATION.

By the act of January 13, 1897 (29 Stat. L., 484), the construction of reservoirs upon unoccupied public lands not mineral or otherwise reserved is permitted upon certain conditions. On July 8, 1898, the first circular under this act was approved, and the cases then pending were taken up for action. Most of them were in Oklahoma and were rejected for the reason that the lands in the Territory were opened to homestead entry only, and were accordingly held not subject to reservation under this act. Appeals from this decision were taken, and are now pending before the Department.

A large number of these reservoir declaratory statements were received after the promulgation of the regulations, and it soon became evident that the regulations were inadequate to prevent speculative filings and other abuses of the privileges of the act. Accordingly in September, 1898, there was submitted to the Secretary of the Interior a draft of a circular amendatory of the regulations, which was not approved until June 23, 1899. In the meanwhile over 2,000 filings had been received, which could not be acted on because the questions to be considered were pending before the Department. The amendatory circular being now approved, action on these cases will be taken early in the next fiscal year.

There were pending at the beginning of the year 301 reservoir declaratory statements; there were received during the year 2,262 such filings; 329 were acted upon, most of them being rejected, leaving 2,234 pending at the end of the year. In addition to these, it is known from reports of the local land officers and inspectors of this office that there have been more than 7,000 declaratory statements filed and not yet received by this office.

* * * * * * *

NEW ACQUISITIONS (APPROXIMATED).

State or Territory.	Land surface.		Water surface.		Total area.	
	Square miles.	Acres.	Square miles.	Acres.	Square miles.	Acres.
Philippine Islands					143,000	91,520,000
Hawaiian Islands					6,740	4,313,600
Porto Rico					3,600	2,304,000
Guam					50	32,000
Total new acquisitions					153,390	98,169,600
Grand total					3,845,515	2,461,129,600

The area of Lake Michigan is included in the table and so much of the areas of Lakes Superior, Huron, St. Clair, Erie, and Ontario as is within the jurisdiction of the United States.

For the States bordering the ocean, the general shore line is taken as boundary, thus including the area of bays, inlets, etc.

Mineral Division.

Seventeen hundred and twelve mineral and mill site patents were issued during the year, a number exceeded only in 1883, 1891, and 1892, and the number of mining claims patented, 3,853, is greater than in any year except 1892.

The following table shows the number of mineral and mill site patents issued for each fiscal year, commencing with the fiscal year ending June 30, 1869, in which the first patent under the United States mining laws was issued:

Year.	Patents.	Year.	Patents.	Year.	Patents.	Year.	Patents.
1869	24	1877	514	1885	510	1893	1,623
1870	111	1878	542	1886	675	1894	1,363
1871	104	1879	343	1887	1,489	1895	1,242
1872	193	1880	866	1888	1,034	1896	1,476
1873	215	1881	727	1889	913	1897	1,085
1874	305	1882	1,298	1890	1,407	1898	1,259
1875	423	1883	1,750	1891	1,792	1899	1,712
1876	443	1884	1,661	1892	3,242		

Fourteen hundred and six mineral entries were made during the fiscal year ending June 30, 1899, a decrease of 219 entries from the preceding year, yet an increase of 170 entries over the year 1897, and exceeded only in the years 1882, 1883, 1884, 1885, and 1898. Considering that the very large number of entries made during the fiscal year ending June 30, 1898, was somewhat above the normal, the showing is a good one, and indicates a very healthy condition of the mining industry. There are no reliable data at hand from which to estimate the amount

of gold taken from the Yukon country in Alaska; no mining claims have been received from that region, but now that United States land offices have been opened for business at Circle City and Peavy, another year will disclose whether or not the miners in that district are desirous of proving up, paying for, and acquiring title to their claims.

Lands classified by commissioners under acts of February 26, 1895, and March 3, 1899:

	Acres.
Montana:	
Bozeman	244,560
Helena	725,162.25
Missoula	528,605.43
Idaho:	
Cœur d'Alene	428,400
Total	1,926,727.68
Total area classified to date under said acts	8,842,417.33

The original act provided that surveyed lands should be first examined and classified, and this order has been followed in each land district. The act of March 3, 1899, extending the time within which to complete the classification, provides that the work of the commissioners shall be completed and the commissioners discharged on or before the 31st day of October, 1899. It is expected that by that date all of the surveyed lands, except perhaps a few isolated tracts, and practically all of the lands within the primary limits of the grant to the railroad company will have been classified, leaving, if any, only lands within the indemnity limits in mountainous regions remote from settlement.

The following is a report of the work performed by this division during the year:

Mineral patents issued	1,712
Lode, mill-site, and placer claims included in above patents	3,853
Coal patents issued	38
Mineral and coal entries approved but not yet patented	20
Current mineral and coal entries examined	1,723
Suspended mineral and coal entries examined	1,315
Mineral and coal entries canceled	49
Coal declaratory statements canceled	579
Contests decided subject to appeal	56
Contests finally closed	58
Quasi contests decided subject to appeal	176
Quasi contests finally closed	149
Agricultural cases examined and referred	239
Agricultural cases examined and suspended	161
List of selections examined and referred ..... acres..	2,264,491.41
Classification of mineral lands examined ..... do....	1,926,727.68
Cases referred to the Department	134
Cases referred to the board of equitable adjudication	1
Letters docketed	10,887
Letters written	8,391
Hearings ordered	61
Pages of official copy written	12,828
Pages of certified copy written	1,730
Pages of patents recorded	2,305
Pages of press copy transcribed into permanent books	1,163
Bonds of deputy mineral surveyors examined	210
Mineral applications (final proof not made) examined	267

INCREASE IN MINERAL AND MILL-SITE PATENTS ISSUED.

My report shows an increase, both in work received and work done, over the last fiscal year. A comparison of patents issued for the years 1897, 1898, and 1899 appears in the following table:

Fiscal year.	Patents issued.	Claims patented.
1897	1,085	2,026
1898	1,259	2,492
1899	1,712	3,853

There has been an increase in the work received during the year of about 20 per cent over the year 1898. This increase has been expeditiously handled, and all work in the division is now up to date, and as a result no complaints are made by claimants that their claims do not receive prompt attention. Such complaints were, in 1897 and prior thereto, frequent, owing to the many months which were permitted to elapse after the receipt of a case before action thereon was taken. This delay worked to hold valuable interests in abeyance for months and caused great monetary loss in retarding the development, and often capitalization, of recognized valuable mining property. This condition was noticed in my last report, and it was possible there to say that all work had been brought up to within sixty days, which under the practice was considered the minimum of time which must elapse before action should be taken. Believing that the interests mentioned, and the public interests also, would be better served by reducing this time, that advance step has been taken and the force so adjusted that within a very short time all entries will be examined and acted upon at the expiration of thirty days from the receipt of the record in this office, and all supplemental proof upon its receipt.

The localities showing the greatest activity in the mining industry are principally Cripple Creek mining district, in El Paso and Teller counties (Pueblo land district); Boulder, Clear Creek, and Gilpin counties (Denver land district); Lake and Park counties (Leadville land district), and upper San Miguel County (Montrose land district), all in Colorado; in addition to Jefferson, Silver Bow, and Deer Lodge counties, Mont.; Lawrence County, S. Dak.; Colville Indian Reservation, in Ferry County, Wash.; Salt Lake and Tooele counties, Utah; Eldorado and Calaveras counties, Cal., and Shoshone and Boise counties, Idaho.

SPECIAL SERVICE DIVISION.

The work performed by this division during the fiscal year ending June 30, 1899, is summarized as follows:

Letters and reports pending June 30, 1898	323
Letters and reports received and registered	28,664
Total	28,987
Letters and reports disposed of	28,044
Letters and reports pending June 30, 1899	943
Letters written	13,558
Pages of press-copy books	20,697

During the year 54 special agents were employed in the investigation of fraudulent land entries and otherwise protecting the public

lands from illegal appropriation and timber trespass, and also in the examination of applications for the sale of timber on public lands under the act of Congress approved March 3, 1891 (26 Stat., 1093), the aggregate length of service being five hundred and twenty months and twenty-four days, equivalent to 43 agents for the entire year and one agent for four months and twenty-four days.

PROTECTION OF PUBLIC LANDS.

Nine hundred and forty-four cases were referred to special agents for investigation. Hearings were ordered in 102 cases, 1,451 cases were held for cancellation, 1,305 canceled, and 708 examined and passed. Final action was taken in 2,130 cases, and there are now pending (June 30, 1899) 2,499 cases.

There are now pending action in the division 351 agents' reports on land claims, 25 records of hearings, and 165 registers and receivers' reports and miscellaneous letters.

COMPULSORY ATTENDANCE OF WITNESSES.

I again call attention to the necessity for legislation compelling the attendance of witnesses in behalf of the Government in hearings before district land officers (or commissioners appointed by them to take testimony), ordered exclusively on the reports of special agents of the General Land Office, which matter has been the subject of repeated recommendations to the Department. The greatest difficulty special agents of this office have to contend with in investigating alleged fraudulent entries is to procure the attendance of witnesses at the hearings resulting from their adverse reports. As a rule, little difficulty is experienced in obtaining information from settlers and others in relation to cases under investigation, but when the parties who furnished the information are summoned to appear at the hearings it is another matter. This may be attributed to three causes: (1) Intimidation by parties interested in the land in dispute; (2) unwillingness to testify openly against their neighbors, and (3) indifference resulting from the belief that when the information is given the special agent enough has been done.

As a remedy for this evil, I earnestly recommend that Congress be asked to pass a law giving registers and receivers authority to issue subpœnas compelling witnesses to appear before them (or commissioners appointed by them to take testimony) to testify in hearings ordered by this office on reports of special agents involving the validity or bona fides of entries on public lands, and in cases of failure to answer the summons that the registers and receivers certify such fact to the United States district judge, to whom authority should be given to fine such persons for contempt of court in refusing to respond to the summons. If such authority were given it would be of incalculable assistance to the Government.

FRAUDULENT DECLARATORY STATEMENTS FOR COAL LANDS.

Your attention is invited to the law which authorizes the appropriation of coal lands and to the many glaring abuses thereof. Section 2349, Revised Statutes, provides that—

> All claims under the preceding section (2348) must be presented to the register of the proper land district within sixty days after the date of actual possession and

the commencement of improvements on the land, by the filing of a declaratory statement therefor, etc.,

and section 2350 requires all persons claiming under section 2348 to prove their respective rights and pay for the lands filed upon within one year from the time prescribed for filing their respective claims.

It has frequently come to the knowledge of this office that gross frauds are being perpetrated by reason of these coal declaratory statements and more especially in the mining and selling of coal as a result.

The mode of operation is as follows: A person will take possession of, and commence improvements on, say, 160 acres of land, and at the expiration of sixty days file his declaratory statement wherein he declares his intention to purchase as provided by the act. During his occupancy of the land he will mine and sell all the coal he can get, and just prior to the expiration of the period fourteen months in which he is, in a measure, protected under the law in his operations, he will relinquish his claim and some member of his immediate family, or a relative, will file a coal declaratory statement and the mining and selling of coal will continue, and so on for an indefinite period, or until all the coal on the tract has been mined and disposed of.

In some instances where members of the family and relatives have utilized their rights in the manner stated, and the supply of coal has not been exhausted, the original claimant and operator will hire one of his employees to file a coal-declaratory statement and pay him $10 or $25 for so doing, and the depredation continues.

Special Agent T. E. Ryan, in a letter dated at Glenwood Springs, Colo., February 28, 1898, mentioned several instances where the law was being thus violated, and stated that some of the persons who were operating coal mines under the cloak of a declaratory statement had, upon his advice, purchased their claims in accordance with their original declarations, while others would ignore the same and continue to mine and sell coal.

While it is true that the Government does not, under the law, confer the right or privilege to mine coal on public lands and sell for speculative purposes, any more than the homestead law allows an entryman to cut and sell timber from his unperfected claim, yet when the question of prosecuting for such coal depredation arises it is invariably abandoned as a needless undertaking because of the fact that the law permits the mining and selling of coal during the lifetime of a declaratory statement.

As a remedy for this evil I earnestly recommend that Congress be requested to pass a law amending section 2350 so as to read as follows:

SEC. 2350. The three preceding sections shall be held to authorize only one entry by the same person or association of persons; and no association of persons any member of which shall have taken the benefit of such sections, either as an individual or as a member of any other association, shall enter or hold any other lands under their provisions; and all persons claiming under section twenty-three hundred and forty-eight shall be required to prove their respective rights and pay for the lands filed upon within ninety days from the time prescribed for filing their respective claims; that upon failure to file the proper notice, or to pay for the land within the required period, the same shall be subject to entry by any other qualified applicant; and that the sale or removal of coal from such lands prior to payment therefor is hereby prohibited. Any person violating the provisions of this section shall, upon conviction, be fined in a sum three times the value of the coal extracted from the land, and, in default of payment of such fine, shall be imprisoned for not less than thirty days nor more than six months.

THE PUBLIC FORESTS.

FOREST RESERVATIONS.

During the past year two of the existing forest reservations have been considerably enlarged, the area of one has been somewhat reduced, and six additional reserves have been established, as shown by the following statements:

RESERVATIONS ENLARGED.

States.	Name of reservation.	Date of proclamation enlarging reservations.	Present estimated area in acres.
California	Trabuco Cañon Forest Reserve	Jan. 30, 1899	109,920
South Dakota and Wyoming.	Black Hills Forest Reserve	Sept. 19, 1898	1,211,680

RESERVATION REDUCED.

State.	Name of reservation.	Date of act whereby the area was reduced.	Present estimated area in acres.
Washington	Mount Rainier Forest Reserve	Area reduced by act of Mar. 2, 1899 (30 Stat., 993), creating the Mount Rainier National Park.	2,027,520

RESERVATIONS CREATED.

State or Territory.	Name of reservation.	Date of proclamation.	Estimated area in acres.
Arizona	San Francisco Mountains Forest Reserves	Aug. 17, 1898	[1] 975,360
Do	Black Mesa Forest Reserve	do	1,658,880
California	Lake Tahoe Forest Reserve	Apr. 13, 1899	136,320
Montana	Gallatin Forest Reserves	Feb. 10, 1899	640,320
New Mexico	Gila River Forest Reserve	Mar. 2, 1899	2,327,040
Utah	Fish Lake Forest Reserve	Feb. 10, 1899	67,840

[1] Even sections only.

There are, accordingly, now 36 forest reservations (exclusive of the Afognak Forest and Fish Culture Reserve in Alaska), created by Presidential proclamations under section 24 of the act of March 3, 1891 (26 Stat., 1095), embracing an estimated area of 46,021,889 acres, as follows:

State or Territory.	Name of reservation.	Date of proclamation creating reservations.	Present estimated area in acres.
Alaska	Afognak Forest and Fish Culture Reserve. (Reserved under secs. 24 and 14, act Mar. 3, 1891.)	Dec. 24, 1892	Not ascertained.
Arizona	Grand Canyon Forest Reserve	Feb. 20, 1893	1,851,520
	San Francisco Mountains Forest Reserves	Aug. 17, 1898	[1] 975,360
	Black Mesa Forest Reserve	do	1,658,880
California	The Prescott Forest Reserve	May 10, 1898	10,240
	San Gabriel Timber Land Reserve	Dec. 20, 1892	555,520
	Sierra Forest Reserve	Feb. 14, 1893	4,096,000
	San Bernardino Forest Reserve	Feb. 25, 1893	737,280

[1] Even sections only.

Forest reservations—Continued.

State or Territory.	Name of reservation.	Date of proclamation creating reservations.	Present estimated area in acres.
California	Trabuco Canyon Forest Reserve	Feb. 25, 1893 Jan. 30, 1899	109,920
	The Stanislaus Forest Reserve	Feb. 22, 1897	691,200
	The San Jacinto Forest Reserve	do	737,280
	The Pine Mountain and Zaca Lake Forest Reserve.	Mar. 2, 1898 June 29, 1898	1,644,594
	Lake Tahoe Forest Reserve	Apr. 13, 1899	136,335
Colorado	White River Plateau Timber Land Reserve	Oct. 16, 1891	1,198,080
	Pikes Peak Timber Land Reserve	Feb. 11, 1892 Mar. 18, 1892	184,320
	Plum Creek Timber Land Reserve	June 23, 1892	179,200
	The South Platte Forest Reserve	Dec. 9, 1892	683,520
	Battlement Mesa Forest Reserve	Dec. 24, 1892	858,240
Idaho and Montana	The Bitter Root Forest Reserve	Feb. 22, 1897	4,147,200
Idaho and Washington	The Priest River Forest Reserve	do	645,120
Montana	The Flathead Forest Reserve	do	1,382,400
	The Lewis and Clarke Forest Reserve	do	2,926,080
	Gallatin Forest Reserves	Feb. 10, 1899	[1]40,320
New Mexico	The Pecos River Forest Reserve	Jan. 11, 1892 May 27, 1898	431,040
	Gila River Forest Reserve	Mar. 2, 1899	2,327,040
Oregon	Bull Run Timber Land Reserve	June 17, 1892	142,080
	The Cascade Range Forest Reserve	Sept. 28, 1893	4,492,800
	Ashland Forest Reserve	do	18,560
South Dakota and Wyoming.	The Black Hills Forest Reserve	Feb. 22, 1897 Sept. 19, 1898	1,211,680
Utah	The Uintah Forest Reserve	Feb. 22, 1897	875,520
	Fish Lake Forest Reserve	Feb. 10, 1899	67,840
Washington	The Washington Forest Reserve	Feb. 22, 1897	3,594,240
	The Olympic Forest Reserve	do	2,188,800
	The Mount Rainier Forest Reserve. (Area reduced Mar. 2, 1899, by act of Congress creating the Mount Rainier National Park (30 Stat., 993)	do	2,027,520
Wyoming	Yellowstone National Park Timber Land Reserve.	Mar. 30, 1891 Sept. 10, 1891	1,239,040
	The Big Horn Forest Reserve	Feb. 22, 1897	1,127,680
	The Teton Forest Reserve	do	829,440

[1] Even sections only.

AREAS OF RESERVES.

The areas given above are the estimated aggregate areas within the boundaries of the reservations. The lands actually reserved are, however, only the vacant public lands therein.

In creating the new reservations in Arizona, the region which includes lands falling within the grant to the Atlantic and Pacific Railroad was set apart in a proclamation which reserved in express terms the even-numbered sections only in each township, thus making a separate reservation of each even-numbered section, all of which were grouped under the general name of the San Francisco Mountains Forest Reserves. This action was taken to guard against any complications that might arise from the inclusion of a large area of railroad lands, since, as pointed out in my last annual report, the provision in the act of June 4, 1897 (30 Stat., 34-36), for the selection of lieu lands for relinquished tracts in forest reserves, is being largely taken advantage of in a speculative way by the holders of tracts acquired by purchase from railroad corporations and others.

A similar course was pursued in creating the Gallatin Forest Reserves in Montana, the even-numbered sections in each township being specifically reserved, with a view to excluding from reservation the odd-numbered sections, which, under the grant to the Northern Pacific Railroad, fall to that road.

The areas of these two groups of reserves, as given in the above

table, present, accordingly, the number of acres in the even-numbered sections only.

By proclamation issued September 19, 1898, the area embraced in the Black Hills Forest Reserve was considerably enlarged, which action was taken after careful consideration in the field and consultation with the people of that region who would be affected by the changes.

The reserve, as created February 22, 1897, contained 967,680 acres in the State of South Dakota. The changes in area effected by the proclamation of September 19, 1898, eliminated from the reserve 159,360 acres in the southwest corner and 7,680 acres in the southeast corner, the reasons for these exclusions being that the lands are practically devoid of timber and of such a character as will not foster forest growth. On the north and west of the reserve an extensive area was added, amounting to 433,440 acres, which extends over into Wyoming, covering an area there of 45,600 acres. At the special request of the residents of the Deadwood district, there was eliminated from reservation and exempted from the operation of the proclamation an area containing 22,400 acres. Altogether, the reserve, as it now stands, contains 1,211,680 acres.

By proclamation issued January 30, 1899, the area of the Trabuco Canyon Forest Reserve was also enlarged, as the result of a petition by a number of prominent citizens owning lands in the vicinity of the reserve. It was urged by the petitioners that the addition to the reserve of the tract recommended would have a tendency to reduce the danger from timber and brush fires during dry seasons, which are very destructive to the water flow in that region, which claims were sustained by the result of an official examination of the region. The total area added to the reserve embraces about 60,000 acres of land, lying mainly on the southwest slope of the Santa Ana Range of mountains, which serves as the watershed for various streams flowing toward the coast.

The Mount Rainier Forest Reserve, in the State of Washington, was reduced in area by the elimination therefrom of a tract 18 miles square, containing 207,360 acres, which was set apart by the act of March 2, 1899 (30 Stat., 993), as the Mount Rainier National Park. The area of the forest reservation, as it now stands, is about 2,027,520 acres.

A slight diminution in the area of the Washington Forest Reserve, in the State of Washington, was also made, as follows: Upon request received from the honorable Commissioner of Fish and Fisheries this office recommended to the Department that Baker Lake, which is about 1½ miles long by 1⅛ miles wide, and certain surrounding lands, situated within the limits of the Washington Forest Reserve, be withdrawn from the reservation and set aside for a fish-culture station; which resulted in the following Executive order being issued:

EXECUTIVE MANSION, *May 10, 1899.*

In accordance with the provisions of the act of Congress approved June 4, 1897 (30 Stat., 36), and by virtue of the authority thereby given, and on the recommendation of the Secretary of the Interior, it is hereby ordered that Baker Lake and the surrounding lands within one-half mile of the shore thereof, within the limits of the Washington Forest Reserve, State of Washington, be, and they are hereby, withdrawn from the operation of the proclamation dated February 22, 1897, creating such reserve, and are hereby reserved and set apart for the use of the United States Commission of Fish and Fisheries for the purposes of a fish-cultural station: *Provided,* That the lake and surrounding lands above described shall again become subject to the operation of the proclamation creating the Washington Forest Reserve whenever the use thereof for fish-cultural purposes shall be abandoned by the United States Commission of Fish and Fisheries.

WILLIAM MCKINLEY.

* * * * * * *

SALES OF TIMBER ON UNRESERVED LANDS.

An effort in the direction of inaugurating a system of conservative lumbering on unreserved lands has been made this past year in connection with putting into effect revised regulations under the act of March 3, 1891 (26 Stat., 1093), which make provision not only for the free use of timber to a limited extent, but for sales of timber to meet the legitimate needs of trade.

As indicated above, however, effective work along such lines is not to be anticipated so long as the two acts of June 3, 1878 (20 Stat., 88 and 89), and the act of August 4, 1892 (27 Stat., 348), remain in operation.

The number of petitions received during the year for sales of timber on unreserved lands under the act of March 3, 1891 (26 Stat., 1093), amounted to 48, involving a total of 13,427,000 feet of timber (board measure), 11,480 cords of wood, and 18,000 fence posts. Sales of timber have been effected in 5 cases, involving a total amount received therefrom of $1,986.75. In 2 cases the petitions have been either withdrawn or dismissed. The remaining 41 cases are either in the hands of special agents for examination and report thereon or are awaiting completion of published notices of sale.

DEPREDATIONS UPON PUBLIC TIMBER.

Four hundred and forty-four cases of depredations upon public timber have been reported during the year, involving public timber and products therefrom to the value of $743,030 recoverable to the Government.

The amount involved in propositions of settlement accepted by this office and sales of timber and lumber is $42,852.09. There were received from compromises effected, under section 3469, United States Revised Statutes, $107,144.17. In addition the amount involved in fines imposed and judgments rendered is $64,178.72, making a total of $214,174.98 resulting from the work of this office in investigating timber depredations upon public lands.

On June 30, 1899, there were pending in the United States courts 125 civil suits for the recovery of a total amount of $1,283,213.16 for the value of timber alleged to have been unlawfully cut from public lands and 338 criminal prosecutions for the act of cutting or removing timber in violation of law.

DEVELOPMENT OF THE SERVICE.

While the great paramount benefits derived from a national forestry system in the way of forest preservation and water conservation are necessarily beyond computation, yet one of the minor advantages resulting therefrom, viz, a revenue to the Government, is appreciable; and it is interesting to note that the receipts from this source last year, as reported above, aggregated $223,696.56.

This amount, as compared with the total amount of appropriations expended during the year in connection with public timber, $285,000, shows that the forest service, even in its present early stage of development, and laboring under many and serious disadvantages which cripple its efforts to a large extent, has already proved largely self-supporting.

With amended legislation, as urged above, and appropriations proportioned to the needs of the service, it is evident that the administration of our forested lands can be made to yield a large revenue to the Government.

The past year's work has been in the nature of demonstration. It has demonstrated the possibilities of the service, with a clear off setting of its needs at the hands of Congress, in respect to both legislation and appropriations.

I think it important that Congress should recognize that the experimental stage of this work has passed, and that it now remains to develop it. But satisfactory development can not be accomplished so long as this office has to operate under many of the present laws respecting public timber and has also to contend with straitened means.

I accordingly earnestly commend this matter of the growing needs of this service to the attention of Congress, with the hope that the several specific recommendations made above in connection with the administration of the forested lands, both reserved and unreserved, may receive early and favorable attention.

SUMMARY OF RECOMMENDATIONS.

1. Recommendation renewed of an enactment for the compulsory attendance of witnesses at hearings in contested land cases before the local land officers. (See p. 90.)

2. That legislation be asked for amending section 2350, United States Revised Statutes, so as to prevent the mining and sale of coal during the lifetime of a coal declaratory statement, or until full payment is made for the land. (See pp. 91.)

3. That the limits of the Mount Rainier National Park, in the State of Washington, as established by act of Congress approved March 2, 1899 (30 Stat., 993), be changed and enlarged. (See p. 98.)

4. Recommendation renewed for extension of the Yellowstone National Park. (See p. 100.)

5. That legislation be asked for amending the act of June 4, 1897 (30 Stat., 34–36), so that the period for publication of notice of sale of timber and the localities where publication should be made be left in the discretion of the Commissioner of the General Land Office. (See p. 112.)

6. That the sum of $300,000 be appropriated for the expenses, during the fiscal year ending June 30, 1901, for the forest service in connection with the creation and administration of forest reservations. (See p. 117.)

7. The enactment of a law that shall empower forest officers, special agents, and other officers having authority in relation to the protection of public lands and the timber thereon, to make arrests, without process in hand, for the violation of the laws or rules and regulations relating to the forest reserves or other forest lands of the United States. (See p. 119.)

8. That the provisions of the act of February 28, 1899 (30 Stat., 908), be expanded to authorize the Secretary of the Interior to rent or lease lands within forest reservations for any purposes not incompatible with the purposes for which such reservations are created. (See p. 119.)

9. That early legislative provision be made for the entry of lands within forest reservations which are found to be more valuable for the coal therein than for forest uses. (See p. 120.)

10. That so much of the act of June 4, 1897 (30 Stat., 36), as pertains to the exchange of lands within forest reservations for those without be amended by adding this proviso, to wit:

Provided, That the natural state of the tract relinquished has not been changed except to such an extent as may have been necessary in clearing the land for actual cultivation. (See p. 115.)

11. Recommendation in matter of perfected claims to lands in forest reserves (act June 4, 1897; 30 Stat., 36), where ownership is established and land is reconveyed to the United States, and for the following specific legislation:

That the entryman or owner of lands in forest reservations, desiring to convey the same to the United States, must file with his relinquishment his affidavit, duly corroborated by the oaths of two disinterested persons, fully setting forth the character of the lands to be relinquished, their relative value for agricultural, mining, and forest purposes, the character, extent, and value of the improvements thereon, and the purposes for which they have been occupied or used. In all cases where such lands are not occupied or used for farming purposes it must be shown in such affidavit that they are more valuable for forest purposes than for the mineral thereon or for agricultural purposes. (See p. 115).

12. That existing legislation as to homestead entry contests be modified so as to make unnecessary the allegation and proof now required that abandonment was not due to military or naval service, and to provide as a defense on the part of the settler defendant at time of hearing such facts as he may submit as to actual service in the Army, Navy, or Marine Corps of the United States in time of war. (See pp. 81.)

13. Repeal of the two acts of June 3, 1878 (20 Stat., 88 and 89), and of the act of August 4, 1892 (27 Stat., 348), relating to timber on public lands in certain States and Territories. (See p. 124.)

14. For the enactment of a general law which shall repeal the numerous conflicting and undesirable existing statutes respecting timber on the unreserved lands, and in their stead make due provision for the protection and use of timber on such lands. (See p. 126.)

15. That the appropriation for the services of special agents in connection with the protection of the public lands for the coming year be not less than $150,000. (See p. 126.)

Respectfully submitted.

BINGER HERMANN,
Commissioner.

Hon. E. A. HITCHCOCK,
Secretary of the Interior.

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REPORT OF THE COMMISSIONER OF INDIAN AFFAIRS.

OFFICE OF INDIAN AFFAIRS,
Washington, D. C., September 30, 1899.

SIR: The Sixty-eighth Annual Report of the Office of Indian Affairs is respectfully submitted.

APPROPRIATIONS.

The aggregate of appropriations on account of the Indian service for the fiscal year ending June 30, 1900, is $7,678,863.19. Of this $7,501,775.81 is appropriated by the act making appropriations for the

current and contingent expenses of the Indian Department and for fulfilling treaty stipulations with various Indian tribes, and $174,087.38 by various other acts. The total amount appropriated for the fiscal year 1899 was $8,237,675.44, which is $558,812.25 more than for the current fiscal year.

The different objects of appropriation for the two years are shown by the following table:

Appropriations for the Indian service for the fiscal years 1899 and 1900.

	1899.	1900.
Current and contingent expenses	$782,840.00	$811,440.00
Fulfilling treaty stipulations	3,250,399.90	2,665,600.81
Miscellaneous supports, gratuities	664,125.00	682,125.00
Incidental expenses	80,000.00	80,900.00
Support of schools	2,638,390.00	2,936,080.00
Miscellaneous	263,400.00	354,117.38
Interest on Chickasaw funds	558,520.54	
Payment for lands		148,600.00
Total	8,237,675.44	7,678,863.19

The difference is accounted for as follows:

Decrease:		
Fulfilling treaty stipulations		$584,799.09
Interest on Chickasaw funds		558,520.54
Total decrease		1,143,319.63
Increase:		
Current and contingent expenses	$28,600.00	
Miscellaneous supports, gratuities	18,000.00	
Incidental expenses	900.00	
Support of schools	297,690.00	
Miscellaneous	90,717.38	
Payment for lands	148,600.00	
		584,507.38
Net decrease		558,812.25

EDUCATION.

The first appropriation for Indian education made by the Continental Congress was $500 for an Indian pupil at Dartmouth College in 1775. In 1819 Congress appropriated $10,000 for Indian education, and September 3, 1819, invited "associations or individuals who are already engaged in educating the Indians and who may desire the cooperation of the Government," to report to the Department of War, then having charge of Indians. This was the first direct appropriation of public moneys for this purpose.

The first treaty agreement providing any form of education was with the Oneida, Tuscarora, and Stockbridge Indians on December 2, 1794; this was followed with a second made with the Kaskaskias, August 13, 1803, wherein the United States promised to give annually for seven years $100 toward the support of a Roman Catholic priest, who, besides his priestly duties, was to "instruct as many of the children as possible in the rudiments of literature." This marks the beginning of the system of governmental aid to these schools. The treaties, however, of the next fifteen years make no mention of education.

On January 15, 1820, John C. Calhoun reported to the House that no part of the $10,000 appropriated on September 3, 1819, had been applied.

Such educational work as had been given to the Indians had been carried on by the religious associations. He says:

> Although partial advances may be made under the present system to civilize the Indians, I am of opinion that until there is a radical change in the system any efforts which may be made must fall short of complete success. They must be gradually brought under our authority and laws, or they will insensibly waste away in vice and misery. It is impossible with their customs that they should exist as independent communities in the midst of civilized society. They are not an independent people (I speak of these surrounded by our population) nor ought they to be so considered. They should be taken under our guardianship; our opinions and not theirs ought to prevail in measures intended for their civilization and happiness. A system less vigorous may protract but can not arrest their fate.

It thus appears that he saw even at this early date the necessity for the Government itself undertaking and carrying out under its own auspices the work of educating the Indians committed to its charge.

From this date until July 15, 1870, when $100,000 were appropriated for Indian schools, this great civilizing agency was conducted by various churches and associations through their missionary agents. That they did good work goes without saying, as these godly people had the welfare of the Indian at heart, but results have since indicated that such a system was not adequate for producing lasting effects. This was recognized by Congress in 1870, when, instead of leaving it to the already over-taxed religious people, the present system was begun by appropriating $100,000 for this purpose, and repealing the old law of March 3, 1819. This marks the beginning of strictly Government schools; day schools first, followed by boarding institutions. In 1878 the Indian department at Hampton was organized, and the next year the great training school at Carlisle established. From this time on there has been a steady interest in matters pertaining to Indian education, both in and out of Congress, as is evidenced by the liberal appropriations made each year.

In the annual report of the Indian Department for the fiscal year 1872 the then Commissioner of Indian Affairs stated that "The westward course of population is neither denied nor delayed for the sake of all the Indians that ever called this country their home: they must yield or perish." In pursuance of this law of destiny the Indian was forced to yield as the borders of civilization and progress were pushed further and further Westward until they have finally encompassed every tribe and surrounded it with the powerful evidences of the foremost civilization of the world. Once the proud possessor of this boundless territory, the Indian has been forced to yield rather than miserably perish. As his power and forces of resistance decreased those of his former adversaries increased. Recognizing his just claims to consideration, he has been taken under the protecting influences of the Government, and while in many cases confined upon diminished areas, support and subsistence have been allowed in lieu of that which the wild fertile fields of the past gave him for the mere asking, but now he must follow the unchangeable decree of life and learn to labor for that which formerly came without effort. It was not a mere sentimental policy which actuated the Government in furnishing supplies and subsistence to these peoples, but it was simply a recognition of the justice of their claims to be given a support by those who had taken from them their means of existence. Such a policy, however, is not a perpetual one, for, continued too long, the tendency would be to pauperize a race capable of receiving and appropriating the benefits of civilization. In consequence of this, under liberal appropriations, schools have been organized where Indian pupils may be trained

through heart, head, and hand for the duties of citizenship, which is the privilege of every person in this country. The educational system is therefore a broad and comprehensive one, and includes not only that which is taught the white boy and girl in our public schools, but also that which they learn at the fireside and in Christian homes. Their thoughts are turned from the tepee, the chase, and the barbaric ease of a savage life, when they would

"Wallow naked in December snow
By thinking on fantastic summer's heat"

to the practical realities of their present condition, and the manifest advantage of the white man's manners, customs, and habits.

However desirable, it does not as yet seem practicable, in this generation at least, to segregate the great body of Indians and distribute them throughout the country. Hence conditions have necessarily fixed and limited an educational policy for their benefit.

This policy, by force of circumstances, is based upon the well-known inferiority of the great mass of Indians in religion, intelligence, morals, and home life. Their theory and practice of existence has been antagonistic to that of the more fortunate whites, who have behind them long ages of slow and successful progress and struggle for supremacy. Originally kind-hearted, contact with the European strangers who landed on the shores of his country, and were themselves just emerging from the superstitions of the Dark Ages, did not tend to impress him with any very great love for those who introduced themselves for purposes of their own aggrandizement; nor has the attitude of his conquerors for many years since given him a different conception of them. Naturally filled with a love of his country and its vast hunting grounds, he has seen them gradually slipping from his grasp and becoming the abiding place of those whom he at first welcomed to his shores. But, notwithstanding all these years of appropriation and oppression, earnest men and women have held faith in the justice of the Indians' right to existence, a home, and final absorption into the body politic of their country. To the superficial observer and harsh critic the task of preparing them for the rights of citizenship has seemed hopeless as well as farcical, but the experience of the past few years under the present educational plan has fully demonstrated that the Indians possess as a race those germs of intelligence, morality, and domesticity which by careful nurture can and have developed in thousands of instances results as excellent as those displayed in their white neighbors.

It is a wonderful work in which the Government is engaged, and a visit to the schools will astonish the most unsympathetic. On the reservation will be seen the half-naked, often filthy and vermin-infected, children brought in from the camps and placed in the little day schools to receive there their first instruction in the practical application of the maxim "cleanliness is next to godliness." Filled with superstitions, and rebellious, wild, and intractable, in the hands of the teacher the work of regeneration begins, to be continued on through the reservation boarding school, and further, if they have the mental capacity and manual aptitude, into a nonreservation training school, where some useful trade is taught by means of which they may be equipped to enter the struggle for existence under new conditions. The hope of the Indian race lies in taking the child at the tender age of four or five years, before the trend of his mind has become fixed in ancient molds or bent by the whims of his parents, and guiding it into the proper channel. Children who have been thus early placed under the influences of the schools show a percentage of success equal to, or greater

than, that which attends the public schools of any of the great cities of the world which draw their material from the slums. A greater percentage of the latter sink back into the degradation of their parents and revert to the life from which they were taken than do the Indian boys and girls who have received proper training in Indian schools. The educated child of the average Indian reservation has no severer or harder lot when he returns to his old home than does his white brother of the city slums. It is sometimes stated in the public prints, and by those who should be better informed, that the present method of educating the Indian is a failure, because, in many instances, the pupils, after receiving the advantages of a Government school and living for years in its moral associations, return home, take up the blanket and relapse into the manners and customs of their parents. This may sometimes be true, but, on the other hand, vast numbers of white children who have attended the public schools and been surrounded with the refining influences of Christian churches and happy homes, take up a life of vice and degradation. But no one will honestly contend that, because such is the fact, the State should abandon its splendid system of schools or fail to give the children a good common school education.

The statistics of educated Indian children in after life will, so far as the records and experience of this office disclose, bear favorable comparison with those of the whites.

While the Indian educational system appears to meet admirably the conditions requisite for success, it is not perfect in all its parts. More schools must be built, methods systematized, individual traits studied, and subsequent environment considered in the adaptation of the lines of studies pursued by the pupil while at school.

At present the principal objection to Indian education lies not in the system itself, but in the fact that adequate provisions can not at all times be made for the future of the student. It is admitted that great hardships are undergone by the young Indian who, having received a good common-school education and a trade, returns, as is sometimes the case, to a bleak and cheerless reservation, there to be surrounded by old customs, manners, and other evidences of a life he has been taught to leave behind him. These, however, are unavoidable conditions which only time, the gradual dying out of the conservative element, and the abrogation of the reservation system can obviate. Notwithstanding these drawbacks, many are making comfortable homes for themselves and living upon and cultivating lands in severalty.

Through the generosity of Congress many of the arid, cheerless, and desert regions of the reservations are being converted into cultivable tracts of land by the inauguration of irrigation schemes, and upon such tracts these Indian boys and girls may find for themselves comfortable homes and a living. The advantage and necessity of taking their lands in severalty is impressed upon the pupils in the schools, to which end their training must necessarily tend. The dignity of labor and the necessity for exertion upon their part is an essential part of their education. All Government schools are industrial in that one-half of each day is devoted to those pursuits which it is expected the pupils will follow when they return home. These years of training are not easily shaken off, and much of it under the most adverse conditions clings to the pupils, having an unconscious effect upon the friends and relatives with whom they are thrown in contact. The leaven thus introduced evidences itself in a slow but gradual elevation in those tribes struggling for advancement and enlightenment.

* * * * * * *

The following table will give brief statistics concerning the Government reservation boarding schools:

TABLE NO. 2.—*Location, date of opening, capacity, enrollment, and average attendance of Government reservation boarding schools.*

Location.	Date of opening.	Capacity.	Enrollment.	Average attendance.
Arizona:				
Colorado River	Mar. —, 1879	100	102	97
Keams Canyon	—— —, 1887	100	100	78
Navajo	Dec. 25, 1881	120	125	77
Pima	Sept. —, 1881	150	193	177
San Carlos	Oct. —, 1880	100	105	101
Fort Apache	Feb. —, 1894	65	74	71
California:				
Fort Yuma	Apr. —, 1884	175	165	145
Hoopa Valley	Jan. 21, 1893	200	214	168
Round Valley	Aug. 15, 1881	70	75	59
Idaho:				
Fort Hall	—— —, 1874	150	185	137
Fort Lapwai	Sept. —, 1886	175	69	58
Lemhi	Sept. —, 1885	40	31	29
Indian Territory:				
Quapaw	Sept. —, 1872	90	106	94
Seneca, Shawnee, and Wyandotte	June —, 1872	130	145	120
Iowa:				
Sac and Fox	Oct. —, 1898	80	49	30
Kansas:				
Kickapoo	Oct. —, 1871	60	49	36
Pottawatomie	—— —, 1873	80	88	81
Great Nemaha	—— —, 1871	40	45	39
Minnesota:				
Leech Lake	Nov. —, 1867	50	66	45
Pine Point	Mar. —, 1892	75	103	70
Red Lake	Nov. —, 1877	50	52	36
White Earth	—— —, 1871	40	50	45
Wild Rice River	Mar. —, 1892	60	114	95
Montana:				
Blackfeet	Jan. —, 1883	150	142	108
Crow	Oct. —, 1884	150	145	138
Fort Belknap	Aug. —, 1891	100	114	87
Fort Peck	Aug. —, 1881	200	192	149
Nebraska:				
Omaha	—— —, 1881	75	92	79
Santee	Apr. —, 1874	100	88	70
Nevada:				
Pyramid Lake	Nov. —, 1882	120	74	68
Western Shoshone	Feb. 11, 1893	50	52	50
New Mexico:				
Mescalero	Apr. —, 1884	100	110	107
Zuni Pueblo	Nov. —, 1896	60	73	44
North Carolina:				
Eastern Cherokee	Jan. 1, 1893	160	191	169
North Dakota:				
Fort Totten	—— —, 1874	350	310	273
Standing Rock, Agency	May —, 1877	150	188	144
Standing Rock, Agricultural	—— —, 1878	100	144	128
Standing Rock, Grand River	Nov. 20, 1893	100	118	110
Oklahoma:				
Absentee Shawnee	May —, 1872	75	97	86
Arapahoe	Dec. —, 1872	150	129	116
Cheyenne	—— —, 1879	150	162	149
Cantonment	May 4, 1899	100	79	76
Fort Sill	Aug. —, 1891	125	116	103
Kaw	Dec. —, 1869	50	41	40
Osage	Feb. —, 1874	175	144	134
Otoe	Oct. —, 1875	75	99	70
Pawnee	—— —, 1865	125	129	126
Ponca	Jan. —, 1883	125	105	90
Rainy Mountain	Sept. —, 1893	150	93	85
Red Moon	Feb. —, 1898	75	52	42
Riverside (Wichita)	Sept. —, 1871	150	99	92
Sac and Fox	—— —, 1868	100	103	73
Seger	Jan. 11, 1893	125	128	108
Oregon:				
Grande Ronde	Apr. —, 1874	100	92	73
Klamath	Feb. —, 1874	125	122	82
Siletz	Oct. —, 1873	100	78	60
Umatilla	Jan. —, 1883	75	91	68
Warm Springs	Nov. —, 1897	175	146	118
Yainax	Nov. —, 1882	100	111	79

[1] This school also has 4 day pupils.

TABLE NO. 2.—*Location, date of opening, capacity, enrollment, and average attendance of Government reservation boarding schools*—Continued.

Location.	Date of opening.	Capacity.	Enrollment.	Average attendance.
South Dakota:				
Cheyenne River	Apr. 1, 1893	130	148	110
Crow Creek, Agency	—— —, 1874	140	137	122
Crow Creek, Grace Mission	Feb. 1, 1897	50	48	45
Hope, Springfield	Aug. 1, 1895	60	55	46
Lower Brule	Oct. —, 1881	140	160	150
Pine Ridge	Dec. —, 1883	209	207	178
Sisseton	—— —, 1873	130	119	83
Rosebud	Sept. —, 1897	200	203	184
Yankton	Feb. —, 1882	150	154	119
Utah:				
Ouray	Apr. —, 1893	80	32	25
Uintah	Jan. —, 1881	100	81	57
Washington:				
Puyallup	Oct. —, 1873	200	235	181
Yakima	—— —, 1860	125	131	79
Wisconsin:				
Lac du Flambeau	July 10, 1895	150	161	146
Green Bay, Agency (Menomonee)	—— —, 1876	150	173	160
Oneida	Mar. 27, 1893	120	137	127
Wyoming:				
Shoshone	Apr. —, 1879	150	146	130
Total		8,865	8,881	7,433

GOVERNMENT DAY SCHOOLS.

The little day school, usually consisting of a recitation room, small kitchen, and teacher's residence, located on the reservation and in sight of the camps, is a center from which the missionary spirit of a faithful teacher and his wife may be exerted upon old and young. The work at these schools is "on the foundation rather than the superstructure, and if the day school teacher lays well the walls upon which the fair temple of civilization is to be erected others will supplement the work and in time complete what is begun." Great interest is taken in the rational care and management of the sick, in the preparation of simple meals, in cleanliness and neatness of habits and dress, simple mending of torn garments, the shoeing of a horse, small repairs to furniture, gates, cultivation of the garden, and all that multitude of little duties which, added to each other, are the sum of the average man's or woman's talents. The radius of such a course of instruction widens each year as the influence of the zealous teacher becomes more deeply impressed upon the little ones, who make daily pilgrimages between the smoke-filled tepees and the orderly school room.

There are 142 of these schools, of which 50 are on the great Sioux reservations of Pine Ridge and Rosebud, S. Dak., 16 among the Pueblos of New Mexico, and 11 among the Mission Indians of southern California. The latter are awakening to an interest in education, and the establishment of schools in these ancient villages marks an epoch in their present life. The majority of the Pueblo schools are conducted in rented buildings, as the difficulties attending the securing of land titles have deterred the office from erecting its own buildings. Several new schools for these people are contemplated early in the ensuing year.

There are seven day schools which are independent of an agent or bonded officer. These are conducted in rented buildings or those furnished by the Indians or their friends. They are located in isolated communities remote from a United States Indian agent or other

bonded official. This office furnishes the teacher, books, etc., and reports are made direct to the Commissioner of Indian Affairs.

The noonday luncheon at many day schools is a great feature of their success. Being located in sparsely settled communities, where the adults are in indigent circumstances, a simple repast during the day adds to the interest in the school work, aside from the humanitarian aspect. The benefits of civilization and education fall on the unheeding ears of a hungry child, therefore the extension of the noonday meal receives favorable consideration where conditions will warrant.

The following table gives the location, capacity, enrollment, and average attendance of the day schools:

TABLE NO. 3.—*Location, capacity, enrollment, and average attendance of Government day schools June 30, 1899.*

Location.	Capacity.	Enrollment.	Average attendance.
Arizona:			
Hualapai—			
Kingman	50	50	43
Hackberry	60	65	53
Supai	60	75	60
Navajo—			
Blue Cañon	20	22	12
Little Water	30	47	36
Oreiba	40	44	21
Polacco	40	41	26
Second Mesa	40	37	15
California:			
Baird	20	25	14
Big Pine	30	34	24
Bishop	40	72	43
Fairbanks Mills	40	32	16
Hat Creek	30	24	16
Independence	30	22	15
Manchester	40	22	10
Mission, 11 schools	319	290	202
Potter Valley	50	33	29
Ukiah	30	17	12
Upper Lake	30	29	20
Michigan:			
Baraga	40	46	28
Bay Mills	50	53	22
Minnesota:			
Birch Cooley	36	20	12
Montana:			
Tongue River	40	38	28
Nebraska:			
Santee—			
Ponca	34	30	18
Nevada:			
Walker River	36	37	31
New Mexico:			
Pueblo—			
Acoma	50	88	20
Cochiti	30	30	16
Isleta	50	53	22
Jemez	40	68	29
Laguna	40	43	20
Nambe	30	26	17
Pahuate	30	34	16
Paraje	20	41	29
Picuris	15	20	13
Santa Clara	30	38	18
San Felipe	30	60	25
San Ildefonso	40	43	36
San Juan	50	30	18
Santo Domingo	30	33	20
Taos	40	63	34
Zia	35	54	33
North Dakota:			
Devil's Lake, Turtle Mountain, 3 schools	140	214	110
Standing Rock, 4 schools	135	157	122
Fort Berthold, 3 schools	120	141	95
Oklahoma:			
Kiowa	30	20	11
Whirlwind	20	27	21

TABLE No. 3.—*Location, capacity, enrollment, and average attendance of Government day schools June 30, 1899*—Continued.

Location.	Capacity.	Enrollment.	Average attendance.
South Dakota:			
Cheyenne River, 3 schools	72	79	59
Pine Ridge, 31 schools	1,085	920	704
Rosebud, 19 schools	517	542	454
Utah:			
Shebit	30	51	32
Washington:			
Colville, 2 schools	80	79	29
Tulalip—			
Lummi	40	45	17
Swinomish	40	44	30
Tulalip	30	29	20
Neah Bay—			
Neah Bay	56	63	40
Quillehute	60	46	25
Puyallup—			
Chehalis	40	15	10
Jamestown	30	24	21
Port Gamble	25	20	13
Quiniault	40	15	11
S'kokomish	40	27	9
Wisconsin:			
Green Bay, Stockbridge	50	57	26
Oneida, 3 schools	76	73	35
La Pointe, 9 schools	415	334	211
Total	4,966	4,951	[1]3,281
Total number of schools			142

[1] This includes 4 day pupils attending Leech Lake boarding school.

INDIANS IN PUBLIC SCHOOLS.

The first contract for the coeducation of Indian pupils with whites in the public schools was dated July 17, 1899, and the first year under the system exhibited contracts with 8 schools for the education of 91 pupils, of which number there was an enrollment of 7 and average attendance of 4. The present year there were contracts with 36 schools for 359 pupils. Three hundred and twenty-six were enrolled, but there were only 167 in attendance, being only 51 per cent of the number so enrolled.

The following table gives a tabulated statement concerning the public schools enrolling Indians since 1891:

TABLE No. 4.—*Number of district public schools, showing number of pupils contracted for, enrollment, and average attendance from 1891 to 1899.*

Year.	Number of schools.	Contract number of pupils.	Enrollment.	Average attendance.	Rate per cent of average attendance to enrollment.
					Per cent.
1891	8	91	7	4	57½
1892	14	212	190	106	56—
1893	16	268	212	123	58+
1894	27	259	204	101	50—
1895	36	487	319	192	60+
1896	45	558	418	294	71+
1897	38	384	315	195	62—
1898	31	340	314	177	57—
1899	36	359	326	167	51+

An inspection of the above table demonstrates that after nine years' trial the results attained by these schools do not seem commensurate with the expenditure. It was believed that an allowance of $10 per capita per quarter for such average attendance as could be obtained would have induced greater effort to secure these pupils. The great difficulty experienced by agents on reservations in maintaining a good attendance seems emphasized at these schools. Another feature of these contracts arises from the disinclination of the full bloods to withstand the not always silent race prejudice often prevailing in the neighborhood of these district schools, and the result has been that in the majority of instances the benefits are conferred upon the children of mixed bloods, who are or should be entitled to participate in the State funds for education. Theoretically the placing of Indian youth in the public schools, where they come in contact with white children, is a most admirable expedient for breaking down prejudices on both sides and civilizing the Indian, but the above table shows that it is not an unqualified success. The full blood, who needs such contact most, is rarely secured. Certain pupils enrolled in nonreservation schools attend public schools. The training at the Government school fits them for appreciating the benefits of this class of instruction, and the difficulties generally presented are made largely to disappear. It is clearly apparent, therefore, that the groundwork at least of Indian education must be laid under Government auspices and control.

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COMMISSIONS.

Crow, Flathead, etc., Commission.—As indicated in my last annual report, provision was made by Congress for the continuation of this commission until April 1, 1899, on which date it was to make its final report to the Secretary of the Interior and the commission was to cease. However, Congress provided for the continuation of the commission another year by the following item in the deficiency appropriation act approved March 3, 1899 (30 Stats., p. 1235):

For continuing the work of the commission under the act of Congress approved June tenth, eighteen hundred and ninety-six, to negotiate with the Crow, Flathead, and other Indians, fourteen thousand five hundred dollars, the same to be available for the payment of salary and proper expenses of said commission from and after the date when the appropriation of fifteen thousand dollars made by the act of July first, eighteen hundred and ninety-eight, was exhausted, and the said commission shall continue its work until, and make its final report thereon to the Secretary of the Interior on, the first day of April, nineteen hundred, and upon that date the commission shall cease.

The commission has divided its time during the past twelve months between the Crow and Flathead reservations in Montana and the Yakima Reservation in Washington, endeavoring to secure agreements with the Indians thereof for the cession of portions of their respective reserves. Negotiations with the Indians of the Flathead and Yakima reservations have not yet been successful.

An agreement was concluded on August 14, 1899, with the Indians of the Crow Reservation by the terms of which they cede to the United States the northern portion of their reserve, estimated to contain 1,137,500 acres, for which $1,150,000 is to be paid, or about $1.03 per acre. Of the tract ceded the commission says 21,000 acres should be deducted to cover railroad rights of way and present allotments, thus leaving the net acreage ceded 1,116,500. Of the latter area 200,000 acres, lying along the Big Horn and Yellowstone rivers, are said to be

susceptible of irrigation, the balance being excellent grazing land and containing some timber.

The agreement provides for the use of about one-half the purchase money for the completion and maintenance of the irrigation system; for the purchase of stock cattle and sheep; for a hospital and its maintenance; for schools; for fencing the reservation; for mills, etc. The balance of the principal sum is to be placed in the Treasury of the United States as a trust fund, the same to bear interest at the rate of 4 per cent per annum, such interest to be added to the principal each year. A cash annuity payment of $12 per capita is to be made to all the Indians having rights on the reservation.

The agreement must, of course, be ratified and confirmed by Congress before it becomes effective.

As stated in my last report, this commission, which has been in the field continuously since its appointment, August 31, 1896, concluded two agreements last year—one with the Indians of the Fort Hall Reservation, Idaho, dated February 5, 1898, providing for a cession of a portion of their reservation to the United States, and one with the Indians of the Uintah Reservation in Utah, dated January 8, 1898, providing for the cession of lands for allotments to the Uncompahgre Utes. Both of these agreements were transmitted to Congress, with recommendation for favorable action, but neither of them has yet been ratified. (See Senate Doc. No. 169, Fifty fifth Congress, first session, for Fort Hall agreement, and Senate Doc. No. 80, Fifty fifth Congress, second session, for Uintah agreement.)

Appropriations for the payment of salary and expenses of this commission and provision for its appointment and continuance have been made by Congress as follows: Indian appropriation act approved June 10, 1896 29 Stats., p. 341), $10,000; Indian appropriation act approved June 7, 1897 (30 Stats., p. 86), $10,000; Indian appropriation act approved July 1, 1898 (30 Stats., p. 592), $15,000; deficiency appropriation act approved March 3, 1899 (30 Stats., p. 1235), $14,500. Total amount appropriated for the commission, $49,500.

Of the last appropriation of $14,500, a balance of about $6,500 remained July 1. It is estimated that this amount will be exhausted about December 1 next, although the act itself says the commission shall continue until April 1, 1900. This would require a deficiency appropriation of at least $5,500, making a total for this commission of $55,000.

The personnel of the commission remains unchanged, the same being composed of Messrs. Benjamin F. Barge, chairman and disbursing officer, Charles G. Hoyt, and Jas. H. McNeely.

Chippewa Commission.—In previous annual reports may be found statements of the progress of the work of the Chippewa Commission. During the past year the work of allotting lands to the Indians on the White Earth Reservation has continued. A few Indians from other reservations have been removed to the White Earth Reservation, and provision has been made for them by building them houses, furnishing subsistence, etc.

The expenditures made by the commission from September 1, 1898, to September 1, 1899, are as follows:

For salary, with all traveling expenses and board, of 1 commissioner	$4,745.00
For salaries of regular employees—1 clerk and allotting agent, 1 teamster, 1 tinsmith	1,980.00
For salary of 1 removal and allotting agent, clerk, and interpreter when not otherwise engaged, irregularly engaged when required	750.00

For salary of a surveyor when required	$150.00
For salary of 1 scaler, as required	285.00
For salaries of irregular employees, miscellaneous	75.00
For rent of office and warehouse at White Earth	152.00
For house building for removals, including hauling of lumber and hewing of logs, etc	1,233.00
For salaries of assistant removal agents, with reimbursement of traveling expenses	364.85
For subsistence supplies for removals	787.45
For hardware for issue to removals	88.45
For tinware used by tinsmith for benefit of removals	48.77
For work oxen and cows issued to removals	625.00
For feed of commission's team, repairs, etc., including purchase of a light spring wagon, also fuel and light during the year	273.88
For printing of official headings by Department	11.00
For expense of removing Indians, such as transportation, board and lodging, and miscellaneous expenses	268.15
For transportation of removals, agents, assistants, and Indians visiting or removing to White Earth, on the various lines of railroads	502.82
Total expenditures by the Chippewa Commission for all purposes	12,640.37

During the same period the commission made allotments on the White Earth Reservation as follows:

White Earth Mississippi Chippewas	65
Gull Lake Mississippi Chippewas	7
Mille Lac Mississippi Chippewas	37
Leech Lake Pillager Chippewas	22
Otter Tail Pillager Chippewas	24
Pembina Chippewas	1
White Oak Point Mississippi Chippewas	10
Fond-du-Lac Chippewas	4
Bois Fort Chippewas	5
Total allotments	175

Other work accomplished by the commission is as follows: Changes in allotments on the White Earth Reservation, 74; number of Indians removed to the White Earth Reservation, 58; number of houses erected for removal Indians, at a cost of $85 each, 10, with 5 others in course of construction.

August 17, 1899, the Department directed that the work of the Chippewa Commission be closed within sixty days after notice. September 12 the office notified Commissioner Hall to close the work within the time named, and September 19 he acknowledged receipt of notice.

Five Civilized Tribes Commission.—The personnel of the commission remains unchanged. Its work under the heading "Dawes Commission" is referred to in discussing Indian Territory affairs on page 120.

Puyallup Commission.—The Indian appropriation act approved March 1, 1899 (30 Stats., 940), contains the following clause relative to the Puyallup Commission:

> For compensation of the commissioner authorized by the Indian appropriation act approved June 7, 1897, to superintend the sale of land, and so forth, of the Puyallup Indian Reservation, Washington, who shall continue the work as therein provided, two thousand dollars.

It will be observed that this provides for continuing the sales of the Puyallup lands for the present fiscal year. This work was continued during the last fiscal year under a similar provision in the Indian appropriation act of July 1, 1898 (30 Stats., 571). Clinton A. Snowden, who was appointed commissioner June 22, 1897, is still in charge of the work.

The Puyallup Indian Reservation consists of allotted lands and an agency tract.

The allotted lands cover 17,500 acres. The Indian allottees had consented up to August 26, 1899, to the sale of 8,732.21 acres, at a total appraised value of $374,460.58. Up to June 30, 1899, there had been sold and reported to this office by the Puyallup Commission 1,884.58 acres for $98,859.51. Of this sum $36,361 was paid in cash at the time of purchase, the balance being payable on time, usually five equal annual payments, bearing interest at 6 per cent per annum. Deferred payments to the amount of $27,371.82 have been made. The money as collected, whether cash down or deferred payments, is paid to the allottees entitled to the same, less 10 per cent for expenses of sale (not including the salary of the commission).

The agency tract as originally surveyed contained 598.80 acres. The Indians consented to the sale of this tract, except a certain quantity reserved for school, farm, garden, and church and cemetery purposes. The tract not reserved was surveyed and platted into lots and blocks, as an addition to the city of Tacoma. There were reserved for school, farm, and garden, 62.12 acres; for church and cemetery purposes, 19.43 acres; for railroads, streets, and alleys, as per plat, 164.75 acres; for the Tacoma Land Company, as per prior deed, 14.10 acres. There were platted into lots and blocks for sale 338.40 acres.

The total appraised value of the lots and blocks for sale is $206,950. There have been sold from the same, as reported by the Puyallup commission up to June 30, 1899, lots and blocks to the amount of $45,033.50, of which sum $17,272.09 was paid in cash at the time of the purchase, the balance being usually on five-year payments, with interest at 6 per cent per annum. Deferred payments have been made to the amount of $18,026.73. The money arising from the sale of the agency tract lots is deposited in the Treasury of the United States, and is used, under the Puyallup act of March 3, 1893, in defraying the expense of sale other than the salary of the commission.

Total amount received from sales of allotted lands	$63,735.82
Total amount received from sale of agency tract lots	35,298.82
Grand total received	99,034.64

SALE OF LIQUOR TO INDIANS.

Since the passage of the act of January 30, 1897, prohibiting the sale of intoxicants to Indians, the office has been able to cope in a larger degree with illicit whisky sellers, and, where it has been possible to obtain evidence against offenders, the traffic, so far as outward appearances indicate, has been decidedly interfered with.

During the past year many prosecutions have been instituted and numerous convictions had. May 3, 1899, the United States Indian Agent at the Colville Agency, Wash., reported that seventeen white persons and two Indians were convicted at the April term of the United States circuit court, convened at Spokane, Wash., and were sentenced to serve terms of from two to eight months in the penitentiary and to pay a fine of $100 each and costs of trial. Patrick Martineau was convicted and sentenced for giving whisky to pupils of the Indian school at Chamberlain, S. Dak.; Andrew Wilson was indicted for selling liquor to Indians of the Mescalero Agency, N. Mex., and Barney Eckstein and Albert Davis were convicted for liquor selling to Indians of the Uintah Agency.

Special Agent R. J. W. Brewster, of the Department of Justice, has

conducted several investigations, notably among the Seminoles in Florida and the Chippewas of the Leech Lake Agency, Minn. Complaints from other quarters have been received and are being carefully inquired into, with the view of apprehending and punishing the guilty parties.

ADMINISTRATORS AND GUARDIANS FOR CITIZEN INDIANS.

The generally irresponsible character of administrators and guardians and their sureties, appointed or approved for citizen Indians by local courts under the methods now in vogue, has frequently been brought to the attention of this office. The subject was fully discussed in office report to the Department dated June 26, 1899, and in compliance with instructions contained in Department reply dated July 3, this office sent to all Indian agents and school superintendents having citizen Indians under their jurisdiction the following letter of instructions dated August 30, 1899:

The attention of this office has, at various times, been called to the unsatisfactory manner in which the personal estates of deceased Indians and of minor Indian wards are managed; it being reported that in many cases the administrators and guardians are irresponsible and their sureties worthless, so that the proper heirs and the Indian wards get very little or no benefit from what is rightfully due them. Section 6 of the general allotment act of February 8, 1887 (24 Stats., p. 388), provides that all Indians who have received allotments are entitled to the rights of citizenship, and shall have the benefit of and be subject to the laws of the State or Territory in which they reside. By virtue of this law the personal estates of deceased Indians and Indian wards are under the control of the county or probate judges, who appoint the administrators and guardians and pass upon their acts as such.

After considering various plans for the correction of the abuses referred to, it has been concluded that the cooperation of the courts of the counties in which such citizen Indians reside, in the appointment of guardians and administrators and in the administration of estates, etc., should be secured. The Acting Secretary of the Interior has directed this office to give you proper instructions to that end.

I have, therefore, to direct that you arrange for a conference with the county or probate judge at your earliest convenience, explain to him fully the situation and the wishes of this Department, and, if possible, effect an arrangement with him whereby in the future only such administrators and guardians as first meet with your approval, and whom *you* adjudge to be proper and fit persons for such trusts, shall be appointed. You will also endeavor to secure the concurrence of the judge to a plan requiring you to first examine and approve all the accounts and other papers of administrators and guardians before they are filed with the court and approved by it.

With such plans harmoniously arranged and faithfully carried out, and with the appointment in the future of proper and responsible persons only, with good sureties, the evil now complained of should be reduced to a minimum. As the arrangements suggested will materially aid the courts in securing the honest and impartial administration of estates—a thing to be desired alike by the Government and the local authorities—I am sure the county judge will gladly cooperate with you in arranging and carrying out the plans suggested. You will make every proper endeavor to have the same effected.

I have also to direct that you examine the records of the county court and ascertain the names of all persons who are now acting as administrators and guardians, whether Indian or white, who their sureties are, and then proceed to investigate the character and responsibility of all the parties. Should you find that any changes are desirable in these positions of trust, you will present the matter fully to the court and endeavor to have them effected.

All annuity moneys are under the absolute control of this Department. If irresponsible or improper persons be appointed by the local courts as guardians for Indian minors, and a change in such guardianship can not be effected, you will withhold the payment of annuities in such cases and the same should be returned to the Treasury and held, subject to future disposition for the benefit of the annuitant under the direction of this office.

As affecting the good of the Indian service and the interests of individual Indians, this entire subject is one of the most important coming under your jurisdiction as

an agent. You will give the same your personal attention and put forth every effort in your power to secure an improvement in the administration of Indian estates and the suppression of the abuses now so frequently complained of.

* * * * * * *

INDIAN LANDS SET APART TO MISSIONARY SOCIETIES.

Tracts of reservation lands set apart during the year for the use of societies carrying on educational and missionary work among the Indians are as follows:

Lands set apart on Indian reservations for the use of religious societies from August 1, 1898, to August 31, 1899.

Church or society.	Acres.	Reservation.
Roman Catholic	40	Rosebud, S. Dak.
American Missionary Association	80	Do.
Board Home Missions, Presbyterian Church	[1]5	Spokane, Wash.
Board of Elders of Northern Diocese of Church of United Brethren of America (Moravian Church)	[2]5	Potrero, Cal.
Do	[3]10	Do.
Methodist Episcopal	80	White Earth, Minn.

[1] Set aside in 1894 to Women's National Indian Association, and surrendered in 1899 in favor of Board of Home Missions.
[2] Set aside in 1889 to Women's National Indian Association, and surrendered in 1899 in favor of Moravian Church Society.
[3] Set aside in 1896 to Women's National Indian Association, and surrendered in 1899 in favor of Moravian Church Society.

LEASING OF INDIAN LANDS.

For the terms on which Indian lands can be leased, see the Annual Report of this Bureau for 1897 (p. 46).

UNALLOTTED OR TRIBAL LANDS.

Since the date of the last Annual Report the following leases of tribal lands have been approved.

Kiowa and Comanche Reservation, Okla.—Twenty-one grazing leases and one grazing permit have been executed, as follows:

Lessee.	Acres.	Term.	Annual rent.
		Years.	
Grazing leases:			
Samuel B. Burnette	306,789	2	$30,678.90
William T. Waggoner	592,610	2	59,261.00
Hezekiah G. Williams	35,000	1½	3,500.00
John W. Light	77,112	2	7,711.20
Do	70,000	2	7,000.00
William A. Wade	105,892	2	10,589.20
Ascher Silberstein	2,000	2	200.00
Roswell K. Hatsell	59,581	2	5,958.10
Samuel P. Britt	10,000	2½	1,000.00
Driggers & Sharp	30,000	2½	3,000.00
James L. McHaney	8,000	2½	800.00
Edward D. Byrd	9,500	2½	950.00
Hezekiah G. Williams	5,500	2	440.00
Edward L. Clark	3,450	2½	345.00
James A. Gamel	24,000	[1]3	[2]600.00
James N. Jones	2,000	3	200.00
Emmet Cox	6,000	2½	600.00
Quanah Parker	8,000	1	800.00
Olds and Elliott	15,320	2½	1,532.00
Hezekiah G. Williams	5,424	2	542.40
Augustus H. Jones	100,000	1½	8,000.00
Grazing permit:			
James Myers	2,000	2 9/12	200.00

[1] Months. [2] Total rent.

SALES OF INDIAN LANDS.

Peoria and Miami Lands, Indian Territory.—The last annual report of this office reported the approval by the Department up to August 5, 1898, under the act of June 7, 1897 (30 Stat., p. 72), of 32 conveyances of land by the Peoria Indians, amounting to 2,681.75 acres, at a valuation of $27,653.90, an average of $10.30 per acre; also 16 conveyances by the Miami Indians, amounting to 1,411.05 acres, at a valuation of $12,505, an average of $8.86 per acre. Thus the sales by both tribes aggregated 4,095.62 acres of land for $40,108.90, an average of $9.79 per acre.

Between August 5, 1898, and August 31, 1899, there have been approved by the Department 24 conveyances by the Peoria Indians, amounting to 1,862.43 acres, at a valuation of $15,915, an average of $8.54 per acre, and 9 conveyances by the Miami Indians, amounting to 686.85 acres, at a valuation of $6,926, an average of $10.01 per acre. The total 33 conveyances cover 2,549.28 acres of land, at a valuation of $22,841, an average of $8.96 per acre.

The total sales of land by these two tribes of Indians since the passage of the act of June 7, 1897, are 81, aggregating 6,644.90 acres of land, at a valuation of $62,949.90, an average of $9.47 per acre.

Citizen Pottawatomie and Absentee Shawnee Lands, Oklahoma.—The act of August 15, 1894 (28 Stat., p. 295), authorizes the members of these tribes who are over 21 years of age to dispose of any of the lands patented to them under the general allotment act in excess of 80 acres. Up to the 5th of August, 1898, there had been approved by the Department 378 conveyances, aggregating in area 40,093.51 acres of land, valued at $229,461.77.

Between August 5, 1898, and August 31, 1899, there had been approved by the Department 97 conveyances of the Citizen Band of Pottawatomie Indians, at an average valuation of $4.60 per acre, viz, 79 in Pottawatomie County, aggregating 8,325.03 acres, for $37,014, and 18 in Cleveland County, aggregating 1,490.72 acres, for $8,135. During the same period there have been approved by the Department 34 conveyances by the Absentee Shawnee Indians, at an average of $6.71 per acre, viz, 33 in Pottawatomie County, aggregating 2,926.10 acres, for $19,871.34, and 1 in Cleveland County, 80 acres, for $320. The total, 131 conveyances, cover 12,821.85 acres of land, at a valuation of $65,340.34, or an average of $5.10 per acre.

The total sales of land by these two tribes of Indians since the passage of the act of August 15, 1894, are 509, aggregating 52,915.36 acres of land, for $294,802.11.

In the last annual report it was recommended that additional legislation in behalf of the Pottawatomies be secured which will allow those who took allotments under the act of May 23, 1872 (17 Stat., 159), the same privilege of alienating portions of their lands as has been accorded those who took allotments under the general allotment act. This recommendation is renewed and a draft of a bill to carry it out will be submitted to the Department to be laid before Congress.

Additional legislation needed.—By the act of May 23, 1872, the Secretary of the Interior was directed to make allotments to the members of the Citizen Band of Pottawatomies and to Absentee Shawnees residing upon the tract set apart for them in what was then the Indian Territory. No provision was made for patents, but it was directed that

certificates of allotments should be issued, and that the lands thus allotted

should be alienable in fee or leased or otherwise disposed of only to the United States or to persons of Indian blood lawfully residing within said Territory, with permission of the President, and under such regulations as the Secretary of the Interior shall prescribe.

A few of the tracts thus allotted are still held by the original allottees or their heirs, while others, with the permission of the President, have been alienated to persons of Indian blood. Since no time was fixed at which the inhibition against alienation should terminate, if those holding allotments under that act are to be allowed to sell their land or any part of it except to Indians, further legislation is necessary. There would seem to be no good reason for permitting those who received allotments under the act of 1887 to sell a part of their lands and refuse the same privilege to those who took their allotments under the act of 1872. As stated in last year's report, the rule should be made uniform. The act of 1872 requires the "permission of the President" to make conveyances valid. The President should be relieved of the duty of attending to such a minor detail as the approval of Indian deeds.

In an opinion rendered June 8, 1897, the Department held that the authority given by the act of August 15, 1894, to make sales of portions of allotments taken under the general allotment act was confined to adult Indians, and did not include sales made by or on behalf of minor heirs. Further legislation seems necessary to authorize the sale of these lands when held by adult and minor heirs as tenants in common.

The Peoria and Miami Indians of the Quapaw Agency, Ind. T., were allowed to sell a part of their lands by a provision of the act of June 7, 1897 (30 Stats., p. 72), which reads as follows:

That the adult allottees of land in the Peoria and Miami Indian Reservation in the Quapaw Agency, Ind. T., who have each received allotments of 200 acres or more may sell 100 acres thereof, under such rules and regulations as the Secretary of the Interior may prescribe.

This law does not provide for the sale of their lands by heirs of allottees, which would seem to be an unfair and impracticable discrimination.

The draft of a bill to cover the points above indicated was submitted to Congress at its last session, but failed to become a law. It will be resubmitted for transmission to Congress at its next session.

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RAILROADS ACROSS RESERVATIONS.

The most important matter of legislation during the past year in connection with railroads across Indian lands was the passage of the act of Congress of March 2, 1899 (30 Stat., 990, and p. 505 of this report). The act provides that any railway company duly organized under the laws of the United States or under the laws of any State or Territory, may acquire right of way through Indian reservations, Indian lands, and Indian allotments by complying with its terms and with the rules and regulations of this Department prescribed thereunder. April 18, 1899, the Secretary of the Interior prescribed rules and regulations governing railway companies in the acquirement of such rights of way. The rules and regulations will be found printed in this report at page 661. Such rights of way shall be for the construction of railway, telegraph, and telephone lines, not to exceed 50 feet in width on each side of the central line of the road, except where there may be

heavy cuts and fills, in which case they shall not exceed 100 feet in width on each side of the central line of the road; the companies may also acquire station grounds adjacent to the rights of way, not exceeding 100 feet in width, by a length of 2,000 feet.

Under the provisions of this general act, and subject to the rules and regulations of this Department, authority has been granted for railroad companies to survey their lines of road through Indian lands, as follows:

Arkansas Valley and Gulf Railroad Company.—On March 7, 1899, the Department granted authority for the above-named company to make a preliminary survey of its line of road through Indian lands in Oklahoma and through the Indian Territory, beginning at a point to be selected by said railroad company on the Kansas line a few miles southeast of Arkansas City, Kans., running thence by the most practicable route through the Indian Territory in a southeasterly direction along the valley of the Arkansas River to the southern boundary; and also for the construction of a branch line beginning at a point not exceeding 35 miles south of the south line of Kansas, thence in a southeasterly direction to connect with the main line.

Gulf and Northern Railroad Company.—March 18, 1899, the Acting Secretary granted authority for the above-named company to make a preliminary survey for the location of its line of road through the Osage, Ponca, and Otoe and Missouria reservations, Okla., and also through the lands of Five Civilized Tribes in the Indian Territory.

Kansas, Oklahoma and Texas Railroad Company.—July 18, 1899, the Acting Secretary of the Interior granted authority for the Kansas, Oklahoma and Texas Railroad Company to locate and survey a line of railroad from a point on the south line of the State of Kansas, at or near Coffeyville, through the Cherokee and Osage nations and the counties of Pawnee, Payne, Logan, Kingfisher, Oklahoma, Canadian, and Washita, the Wichita, Kiowa, and Comanche reservations, and Greer County, Okla., to Vernon, Tex.; also for a branch line from a point on the Missouri, Kansas and Texas Railway at or near Pryor Creek, in the Cherokee Nation westwardly and intersecting with the said above described line where it crosses the Arkansas River in the Osage Nation.

Rio Grande, Pagosa and Northern Railroad Company.—May 19, 1899, tacit authority was granted the above-named company for the location and survey of its line of road through the allotted lands formerly embraced within the Southern Ute Reservation, Colo.

The survey of the line of road was effected and on July 20, 1899, a map showing the definite location of the line of road through said allotted lands was submitted to this Department for approval. On July 25 the Acting Secretary approved the map, as follows:

> Approved only so far as the line of road represented hereon passes through Indian lands, subject to all the requirements, limitations, and provisions contained in the act of Congress approved March 2, 1899.

St. Louis, Tecumseh and Lexington Railway Company.—On March 9, 1899, the Acting Secretary of the Interior granted authority for the above-named company to locate and survey its line of railroad over and across Indian lands and reservations lying and being between the St. Louis and San Francisco Railway at or near the town of Stroud, in Oklahoma, and extending in a southwesterly direction by way of Tecumseh to the town of Lexington, Okla.

Shawnee, Oklahoma and Indian Territory Railway Company.—July 25, 1899, the Acting Secretary of the Interior granted authority for the

above-named company to locate and survey a line of railroad over and across Indian lands from Shawnee, Okla., in a southeasterly direction to Coalgate, in the Indian Territory, or south thereof to a point on the Missouri, Kansas and Texas Railroad; and also from Shawnee, Okla., northward to a point intersecting the line of road of the St. Louis and San Francisco Railroad at or near Stroud, Okla.

Tecumseh and Shawnee Railroad Company.—July 25, 1899, the Acting Secretary granted authority for the above named company to survey and locate its line of road through and across Indian lands lying and being between Tecumseh, Okla., and Shawnee, Okla., both termini being within Pottawatomie County, Okla.

Eastern Oklahoma Railroad Company.—August 1, 1899, the Acting Secretary of the Interior granted authority for the Eastern Oklahoma Railroad Company to locate and survey its line of railroad through Indian lands from Guthrie, Okla., eastward to the west line of the Creek Nation, south of the Cimarron River; also a branch line from the main line of the Atchison, Topeka and Santa Fe Railroad, beginning at the most feasible and accessible junction between the station of Bliss and the Salt Fork of the Arkansas River and extending in a southeasterly direction through the Ponca and Otoe and Missouria reservations and the county of Pawnee, by way of the town of Pawnee, to the north line of the Creek Nation, near the confluence of the Cimarron and Arkansas rivers; also from some point on the line of road first mentioned at some accessible point in Pawnee County and extending northeasterly, by way of Stillwater, Pawnee, and Pawhuska, to a connection with the line of road of the Arkansas, Oklahoma Central and Southwestern Railway Company at or near Bartlesville, in the Cherokee Nation.

Chicago, Milwaukee and St. Paul Railway Company.—June 19, 1899, the Acting Secretary of the Interior granted authority for said company to make a survey for the extension of its line of road through the lands of the Yankton Sioux Indians in Bonhomme and Charles Mix counties, S. Dak.

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REMOVAL OF CHAMBERLAIN FAMILY FROM CŒUR D'ALENE RESERVATION, IDAHO.

Some years ago the Chamberlain brothers and certain other persons went upon the Cœur d'Alène Reservation, Idaho, with a view of obtaining a foothold there and asserting a right to share in Cœur d'Alene lands and tribal funds. The office being of the opinion that they were not of Cœur d'Alene blood, and were therefore without right upon that reservation, tried to induce them to leave it. Fred, Clement, and Dolph Chamberlain and others left the reservation, but Bartholomew, James, and Fabian Chamberlain remained and persisted in their right to do so. They made improvements upon certain lands which they selected as homes and filed a claim for $13,340 of Cœur d'Alene money. Their rights and claims were thoroughly investigated and a complete report of the matter was made to the Department August 15, 1898, with the following recommendations—

1. That the parties above named be not placed upon either the census or annuity rolls of the Cœur d'Alene tribe of Indians, and that they be not in any manner recognized as Cœur d'Alene Indians.

2. That Bartholomew, James, and Fabian Chamberlain be given a reasonable time, in the discretion of this office, in which to sell their improvements to any Indian or Indians properly belonging upon the Cœur d'Alène Reservation and to remove therefrom.

3. That in case they failed or refused to dispose of their improvements and remove within the time allowed, authority be granted to remove them from the reservation, under section 2149 of the Revised Statutes of the United States, page 374.

August 24, 1898, the Department replied, concurring in the conclusion of the office that these parties were not and never had been legal members of the Coeur d'Alène tribe of Indians, and that they had no rights upon the reservation nor in the tribal moneys. Their removal from the reservation was authorized, and September 23, 1898, the agent of the Colville Agency, Wash., was instructed to notify them that they would be given a reasonable time to sell their homes. The office allowed them ample time in which to dispose of their improvements and remove from the reservation, but they stubbornly refused to take any action in that direction.

On the 1st of May, 1899, this office made a second report upon the claim of Fabian Chamberlain to become a member of the Coeur d'Alène band of Indians and to remain upon the reservation and participate in the benefits due the tribe. The Department replied May 3, 1899, that it had considered the statements made by Mr. Fabian Chamberlain and found no reason to modify its previous decision, and in view of the leniency that had been shown in their case it directed that no further temporizing measures be tolerated, and that Fabian and his brothers, Bartholomew and James, be removed from the reservation within thirty days from the date of notice from the Indian agent in charge, the notice to be given at once.

Such instructions were given the agent May 6, 1899, and he replied that he did not have sufficient police force to accomplish the removal of these parties and requested military assistance. Accordingly the office recommended, June 2, that the War Department be requested to detail a sufficient guard of soldiers to aid the agent in effecting the removals. June 9, 1899, the War Department informed the Interior Department that the commanding general, Department of Columbia, had been directed to send an officer with a sufficient detachment to aid the Indian agent, and June 21 the agent reported that with the assistance of the military detail he had removed Bartholomew Chamberlain and his personal effects from the reservation, and also the wife and five children and household goods of Fabian Chamberlain. Fabian Chamberlain himself was at the time away from his home. James Chamberlain was also away, employed in a logging camp off the reservation, and a white man named Pence had been put upon his place. Pence was not removed because of illness in his family, but he agreed to remove from the reservation when the condition of his family would permit. The agent posted notices upon the doors of the houses of both Fabian and James Chamberlain warning them not to interfere in any manner with the premises after the date thereof under penalty of prosecution. They have returned to the reservation and instituted action in the United States court to determine their rights.

* * * * * * *

The laws, customs, and statistics relating to the school system in each of the several nations are briefly as follows:

Cherokee Nation.—The schools in this nation have been under control of a board of education, consisting of three members, all of whom are appointed by the principal chief, which board appoints all teachers, fixes their salaries, and has general supervision over all schools in the nation. There are four boarding schools, as follows: National Male Seminary, National Female Seminary, National Orphan Asylum, and

Colored High School. The Male Seminary is probably the oldest school building in the Territory, and has accommodations for 175 pupils. The following table shows for the past year the enrollment, average attendance, etc., of the schools of this nation:

	Enrollment.	Average attendance.	Months of school.	Annual cost of maintenance.	Average annual cost per pupil.	Number of employees.
Male Seminary	90	78	9	$11,625	$149	13
Female Seminary	125	105	9	18,500	176	15
Orphan Home	129	110	9	15,000	136	15
Colored High School	25	20	9	3,500	175	7
Total	369	313	9	48,625	155	50

Choctaw Nation.—The control of the schools in this nation has been under a board of education, consisting of five members, the principal chief, a superintendent of education, and three district trustees. The entire control and management of the schools in this nation have been surrendered to the Government and the principal chief, who is a progressive Indian, interested in the welfare of his people, seems pleased at his release from responsibility. The three trustees, who have been each controlling one third of the schools, are intelligent Indians, and loyally supporting the efforts of the General Government for their betterment. The following table shows for the past year the enrollment, average attendance, etc., of the schools of this nation:

	Enrollment.	Average attendance.	Months of school.	Annual cost of maintenance.	Average annual cost per pupil.	Number of employees.
Jones Academy (male)	85	75	10	$15,000	$200	12
Spencer Academy (male)	84	70	10	15,000	214	12
Tushkahoma Female Institute	90	75	10	15,000	.....	10
Armstrong Orphan Academy (male)	65	62	10	9,000	145	8
Wheelock Orphan Academy (female)	60	50	10	8,000	160	8
Total	384	332	10	62,000	184	50

Creek Nation.—The entire control of the schools in this nation has been under a superintendent of education appointed by the principal chief. This superintendent has appointed all superintendents and all teachers in the sixty five neighborhood schools. He could remove at pleasure any superintendent or teacher. Although large sums of money have been spent, it is reported that not a dozen pupils could be found in any of these schools who could be classed as high-school students. The following table shows for the past year the enrollment, average attendance, etc., of the schools of this nation:

	Enrollment.	Average attendance.	Months of school.	Annual cost of maintenance.	Average annual cost per pupil.	Number of employees.
Eufaula	100	71	9	$9,600	$135	10
Creek Orphan Home	60	52	9	7,266	140	8
Euchie	70	65	9	7,700	118	8
Wetumka	100	85	9	9,600	110	12
Coweta	50	37	9	5,000	135	9
Wealaka	50	45	9	5,000	118	8
Tallahassee	80	66	9	9,600	144	10
Colored Orphan Home	35	24	9	3,833	138	6
Pecan Creek	60	52	9	5,000	100	7
Nuyaka	100	89	9	10,500	100	15
Total	705	586	9	73,099	125	93

Chickasaw Nation.—The legislature has appointed a superintendent of public instruction to control these schools. Boarding schools, however, are let by contract for a term of five years. This nation has on its statute books a law passed in recent years which provides that all citizens, school teachers who may wish to teach school in this nation, shall not be required to undergo an examination as to his or her qualifications as a teacher before being permitted to teach said schools. The following table shows for the past year the enrollment, average attendance, etc., of the schools of this nation:

	Enrollment.	Months of school.	Annual cost of maintenance.	Average annual cost per pupil.	Number of employees.
Chickasaw Orphan Home	60	10	$9,000	$150.00	9
Wapanucka Institute (male)	60	10	9,600	160.00	8
Collins Institute (female)	40	10	6,000	150.00	6
Harley Institute (male)	60	10	10,000	166.00	8
Bloomfield Seminary (female)	80	10	12,500	156.25	10
Total	300	10	47,100	157.00	41

Seminole Nation.—As yet no attempt has been made to take control of the Seminole schools pending their agreement. The following table shows for the past year the enrollment, average attendance, etc., of the schools of this nation:

	Enrollment.	Average attendance.	Months of school.	Annual cost of maintenance.	Average annual cost per pupil.	Number of employees.
Mekusukey Male Academy	100	65	8	$10,500	$160	10
Emahaka Female Academy	100	80	8	10,500	131	10
Total	200	145	8	21,000	145	20

The boarding schools of the various nations appear to be the favored institutions, and it is not unusual to find four or five children of one family in such a school, while some Indians who have reared large families of children have never been able to get them assigned to such a school. The money of the nations seems to have been expended upon these institutions, while the little districts desiring school facilities must erect their own neighborhood schools, and as a natural result they are cheap and squalid affairs, unfitted for the purposes for which they are intended.

Neighborhood schools.—The following table gives the statistics, number of neighborhood schools in each nation, their cost (so far as obtainable from meager statistics), and enrollment:

Nation.	Number of schools.	Annual cost.	Enrollment.
Cherokee	124	$30,780	4,258
Choctaw	160	35,000	.....
Creek	65	17,100	.....
Chickasaw	13	26,000	555
Seminole	2	500	.....
Total	365	113,880	.....

Choctaw and Chickasaw Freedmen.—The freedmen of these two nations are, by agreement, prohibited from sharing in the school funds of either nation which are derived from royalties on coal and asphalt. These freedmen do not stand in the same relation as "intruders," but have certain rights as citizens. They are very poor, and some provision must be made for their education.

White Persons.—There are said to be over 200,000 white people in the Indian Territory, which would give a white scholastic population of probably forty or fifty thousand. No general provisions have been made for their education, although in some of the towns and cities efforts are made in that direction. The condition of these children is as deplorable, if not more so, as that of the Indians. They are practically without school facilities, their parents are taxed by the Indian authorities, and yet none of this money is utilized for the benefit of their children. It should not be overlooked that these people came to the Territory by and with the consent of the Indians. They have made their homes among them, built towns and cities, improved farms, and developed the country. Almost every character of business or profession in which they are engaged pays a tax of some kind into the several treasuries. They are required to pay poll tax in some cases, and therefore some steps should be taken to provide proper facilities for caring for this large army of young Americans growing up in the midst of these Indian communities. If there is one place more than another which demands educational facilities it is for the children of the white settlers in Indian Territory. The attention of this office has been called to the large number of indigent orphans throughout the several nations, their parents coming from distant States, settling among these Indians, and connection with their former home broken or forgotten, leaving little children without any means of support or anyone to care for them. There is no organized charity upon the part of the various Indian nations or among the whites themselves. The little ones are helpless, pitiable creatures. Rev. W. T. Whitaker, of the Cherokee Nation, has organized an orphan asylum for the benefit of these children. He seeks by correspondence to find the friends and relatives of the orphans who may be brought to him. Failing in that he endeavors to take care of them in as comfortable a manner as the limited means at his disposal may permit. He has struggled hard to found an orphan asylum, but being supported by voluntary contributions throughout the country, it maintains but a precarious existence. Such an institution is an absolute necessity in that community, and by placing the little ones in an atmosphere of morality and refinement it may be possible to save the Government thousands of dollars in criminal prosecutions.

Population. The following is an estimate of the total population of Indian Territory compiled from the records of the Dawes Commission:

Cherokee Indians	30,000
Cherokee freedmen	4,000
Total	34,000
Choctaw Indians	14,500
Choctaw freedmen	4,500
Total	19,000
Creek Indians	10,000
Creek freedmen	4,500
Total	14,500

Chickasaw Indians	6,000
Chickasaw freedmen	4,500
Total	10,500
Seminole Indians	2,000
Seminole freedmen	1,000
Total	3,000
Total number of Indians in Indian Territory	62,500
Total number of freedmen in Indian Territory	18,500
Total white population in Indian Territory	200,000
Total population of Indian Territory	281,000

Based upon the above figures, there is approximately in these nations a scholastic population as follows: Indians, 12,500; freedmen, 3,700, and whites, 40,000. All these children are, under the enlightened policy of the United States, entitled to the benefits of a good common-school education.

The following table is a recapitulation of the number, enrollment, average attendance, etc., of the schools in the various nations:

Nation.	Number of schools.	Enrollment.	Average attendance.	Months of schools.	Annual cost of maintenance.	Average annual cost per pupil.	Number of employees.
Cherokee	4	369	313	9	$48,625	$155	50
Choctaw	5	384	332	10	62,000	184	50
Creek	10	705	586	9	73,099	125	93
Chickasaw	5	300	[1] 250	10	47,100	157	41
Seminole	2	200	145	8	21,000	145	20
Total	26	1,958	1,626		257,824	155	254

[1] The average attendance has not been reported to this office, and 250 is estimated average attendance.

It will be observed from the above table that the maximum amount per capita for the support of the boarding schools is paid in the Choctaw Nation, and the lowest in the Creek. The average cost of these schools is about the same as that of the regular Indian schools, but the comparison stops at that point. The educational and industrial advantages of the latter schools are very marked, especially in those lines which are best adapted for the formation of habits of thrift, energy, and independence. At the average price paid for the support of these schools, if they were conducted upon the same economical lines as the other Indian schools, there would be prompt improvement in the character of the service, and results would soon convince the most skeptical that an early abandonment of the present unsatisfactory and half-hearted system was a matter of necessity. Under proper control and intelligent management the incompetency and wastefulness so general would be discontinued, and the children now growing up in ignorance or given a useless education, would have advantages which their red brothers outside of the Territory are enjoying. The only hope of permanent and lasting results, in preparing the Five Civilized Tribes for citizenship and Statehood, must come through complete Government control of the entire educational machinery. The wasting of thousands of dollars annually in crude and sometimes vicious methods of dealing with this important branch of Indian civilization should no longer be tolerated, as the little children, the strong hope of the nations, are now retrograding rather than advancing. Radical changes in the conduct

of their schools must be made to secure the best results from the funds available. The great mass of whites in the Territory desire and must eventually succeed in securing educational advantages to their children. Public policy demands it and therefore it is only a matter of time. In the meanwhile, however, under present methods the Indian is not progressing, and when these fertile lands are erected into a separate government, unless there is a change, its people will be confronted with a more serious Indian problem than was ever before the country. The mass of Indians recognize the defects of the present system, and feel the evil effects of favoritism for the children of their more powerful neighbors. The condition of the schools is a startling commentary upon the past management of the tribal governments, and the sooner the blot is wiped off the Territory the sooner will these Indians be entitled to the appellation of "civilized."

The reports indicate that these people are Indians; that the masses, especially the full bloods, are not receiving their due proportion of the funds appropriated ostensibly for all; that the teachers are employed for every reason except qualification; that unjust discriminations are made between those entitled to share in a common benefit; that the educational methods are unsound and unfitted to the people; therefore the adequate remedy lies in the control of their schools being taken entirely from the tribal authorities and vested in the Government, which owes it to the national humanitarian progress of the age to give these Indians, out of their own ample tribal funds, a practical educational system adapted to their needs and the needs of the times. Unless full control is taken it will be better to let the tribes continue to bear the heavy responsibility which has been placed upon them, and which, neither by education nor training, are they fitted to assume.

* * * * * * *

FISHERIES IN WASHINGTON.

As stated in the annual report of last year, a suit was commenced and prosecuted against the Alaska Packers' Association et al., to prevent interference by that association with the fishery rights of the Lummi Indians at the ancient fisheries located on the reef at Point Roberts, Washington, which were reserved to them by the treaty of January 22, 1855 (12 Stats., 928). This suit was decided against the Indians, and by direction of the Attorney-General an appeal was taken and the case finally brought to the Supreme Court of the United States. May 4, 1899, the Acting Attorney-General advised the Department that, in his opinion, the case should be dismissed, but before taking final action he desired to bring the matter to the attention of the Department, and requested that this office be directed to state any reason why the course suggested by him should not be adopted.

In a report to the Department, dated May 5, 1899, this office, after reciting the history of the matter, stated that it was deemed best to leave this subject to the good judgment of the Department of Justice, which was perfectly familiar with the pleadings and testimony, as well as the law in the case, and this office would rely upon that Department to determine the matter wisely in the interest of right and justice.

May 3, 1899, the Attorney General stated that after a very careful consideration of the question involved in the case he had concluded that a suit could not be maintained in the Supreme Court. He therefore, on May 22, 1899, submitted a motion to the court to dismiss the appeal of the Government therein, which was granted. This action

was based upon a stipulation entered into with the opposing counsel, which, after stating at length the facts as set forth in previous correspondence with the Department, concludes as follows:

Wherefore, as it sufficiently appears from the facts in the record that the traps and other appliances of the Alaska Packers' Association, adjacent to Point Roberts Reef, as now constructed with end openings and lateral passages, as provided by the laws of the State of Washington, do not interfere with or deprive the Lummi Indians of the enjoyment of the fishing rights claimed by them or by the United States on their behalf to be guaranteed by Article V of the treaty of 1855, and as there is, therefore, now left for the decision of the Supreme Court only a moot question as to the proper interpretation of the said article of the treaty mentioned, which, under its decisions, the Court would decline to entertain and consider upon the record in this case, it is therefore and hereby stipulated by counsel for the parties hereto that the appeal herein shall be dismissed, but without prejudice to or waiver by the United States of the right hereafter to seek construction of the article of said treaty aforesaid and to enjoin the construction or maintenance of traps or other fishing appliances in any case where the same shall be hereafter so constructed or maintained by any person or persons as to deprive the Indians of such rights as they or the United States on their behalf may claim said Indians are legally entitled to enjoy under the treaty aforesaid.

The Attorney-General also stated that as far as it was possible to so do such rights as the Indians may have were not waived by the dismissal of the case.

Very respectfully, your obedient servant,

W. A. JONES, *Commissioner.*

The SECRETARY OF THE INTERIOR.

REPORT OF THE COMMISSIONER OF PATENTS.

DEPARTMENT OF THE INTERIOR,
UNITED STATES PATENT OFFICE,
Washington, D. C., July 15, 1899.

SIR: Complying with the request contained in your letter of June 15, 1899, I beg to submit herewith the following report of the business of the United States Patent Office for the fiscal year ended June 30, 1899:

Applications and caveats received.

Applications for letters patent	35,352
Applications for design patents	2,292
Applications for reissue patents	91
Applications for registration of trade-marks	1,861
Applications for registration of labels	612
Applications for registration of prints	112
Caveats	1,610
Total	41,930

Patents granted and trade-marks, labels, and prints registered.

Letters patent granted (including reissues and designs)	23,550
Trade-marks registered	1,406
Labels registered	372
Prints registered	76
Total	25,404

Patents withheld and patents expired.

Letters patent withheld for nonpayment of final fees	4,021
Letters patent expired	16,670
Applications allowed awaiting payment of final fees	8,055

Expenditures.

	Expended.	Estimated liabilities.	Total
Salaries	$753,142.85	.....	$753,142.85
Scientific library	1,504.97	$405.03	2,000.00
Transportation of publications to foreign countries	15.65	.....	15.65
Postage on foreign matter	2,025.00	.....	2,025.00
Stationery	10,303.92	103.10	10,407.02
Furniture	2,352.22	.....	2,352.22
Carpets	1,644.00	.....	1,644.00
Ice	554.54	.....	554.54
Telephones	50.00	.....	50.00
Washing towels	87.95	.....	87.95
Sundries	7,821.57	.....	7,821.57
Official Gazette, illustrations, paid contractor	46,065.60	.....	46,065.60
Photolithographing, paid contractor	68,524.84	4,258.56	72,783.40
Blue-print work, paid contractor	3,216.45	.....	3,216.45
Printing and binding:			
Paid Public Printer for producing the Official Gazette and indexes out of the appropriation for 1899	55,926.61	(1)	55,926.61
Printing specifications	155,676.11	16,612.35	172,288.46
Miscellaneous printing and binding	7,038.35	3,544.62	10,582.97
Miscellaneous work at branch office	7,699.19	.....	7,699.19
Total	1,123,739.82	24,923.66	1,148,663.48

[1] Not available.

Receipts and expenditures.

Receipts from all sources	$1,209,554.88
Expenditures (including total in all appropriations)	1,148,663.48
Surplus	60,891.40

Applications awaiting action.

Number of applications awaiting action on the part of the office on July 1, 1899. 2,989

June 30—	Receipts.	Expenditures.
1890	$1,347,203.21	$1,081,173.56
1891	1,302,794.59	1,145,502.90
1892	1,268,727.35	1,114,134.23
1893	1,288,809.07	1,111,444.22
1894	1,[illegible]	1,[illegible]
1895	1,[illegible]	1,[illegible]
1896	1,[illegible]	1,[illegible]
1897	1,[illegible]	1,[illegible]
1898	1,262,938.44	1,092,113.83
1899	1,209,554.88	1,148,663.48

Applications for patents, including reissues, designs, trade-marks, labels, and prints.

June 30—	
1890	43,810
1891	43,616
1892	43,544
1893	43,589
1894	39,206
1895	41,014
1896	45,645
1897	47,747
1898	44,216
1899	40,320

Applications awaiting action on the part of the office.

June 30—	
1890	6,585
1891	8,911
1892	9,447
1893	8,283
1894	7,076
1895	4,927
1896	8,943
1897	12,241
1898	12,187
1899	2,989

Summarizing these tables there were received in the last fiscal year 35,352 applications for mechanical patents, 2,292 applications for designs, 91 applications for reissues, 1,610 caveats, 1,861 applications for trade-marks, 612 applications for labels, and 112 applications for prints. There were 23,550 patents granted, including reissues and designs; 1,406 trade-marks, 372 labels, and 76 prints were registered. The number of patents that expired was 16,670. The number of allowed applications which were by operation of law forfeited for nonpayment of the final fees was 4,021. The total receipts of the office were $1,209,554.88; the total expenditures were $1,148,663.48, and the surplus of receipts over expenditures, being the amount turned into the Treasury, was $60,891.40.

CURRENT WORK.

On the 27th of June, 1899, every Examiner had his new work within one month from date of filing, and his amended work within fifteen days of date. This is the first time since December, 1889, when the present form of weekly reports was adopted, that such a report has or could have been made.

ORGANIZATION OF THE CLASSIFICATION DIVISION.

The most notable advance of the year in the work of the office has been the establishment of a classification division and its entry upon a thorough revision and extension of the classification of patents and printed publications, the examination of which lies at the foundation of our patent system. The necessity for this work, after being repeatedly called to the attention of Congress, was finally recognized, and an act entitled "An act for revising and perfecting the classification of letters patent and printed publications in the Patent Office" was passed by Congress and received the approval of the President on June 10, 1898, and went into force at the commencement of the fiscal year. Before beginning the work of classification the Principal Examiners and other members of the examining corps were invited to give their views upon the subject, and after giving careful consideration to the same an order establishing a classification division was made on November 17, 1898, and the division placed in charge of a Principal Examiner with the title of "Chief of the Classification Division."

As a preliminary step it was considered desirable to ascertain how much of the material was available, and to that end it was decided to rearrange the original drawings of all patents in numerical order and to prepare a list on which they could be checked.

These drawings were heretofore arranged by subclasses, and it was necessary to know the classification of a patent before it could be found, which often necessitated a long search. By the numerical arrangement it is possible to find it at once, and at the same time much storage

space is saved. The arrangement of these drawings numerically was at once commenced, and as the first 10,000 patents had no numbers and were only identified by name and date, considerable additional labor was involved to find and properly arrange such earlier patents. The entire work of arranging the drawings of nearly 800,000 patents and trade-marks has been substantially completed.

While the arranging of the drawings was proceeding the work of classification has also been going on. This involves the careful consideration of each patent, in order to place it in its proper class and subclass. Many of these patents have to be read to be fully understood, and much care must be taken to select titles which will clearly indicate the contents of each subclass and to preserve clear lines between them. Cross references are also necessary between subclasses of the same class by reason of the presence of mixed matter in the same patent. A system of card index of subclasses and other details have been perfected which will make it possible to detect and remedy any losses. Arrangements have also been made for the preservation of the classification and for the prevention of unauthorized changes by retaining under the supervision of the classification division all patents hereafter granted.

Owing to the lack of space it has been deemed advisable to detail only a small force up to the present time, but while awaiting the additional space that will be available when the General Land Office removes from the Patent Office building I have authorized the Chief of the Classification Division to select one assistant examiner in each examining division to commence work on the classification of his own division, retaining his desk therein, but acting under the orders of the Chief of the Classification Division.

It is already patent that the work of the classification division will prove a great benefit to the office, increasing the accuracy and rapidity of searches, and that the public will experience corresponding benefits. It will also produce a corps of experts in classification who will become more familiar with all classes of the office than would be possible were their services confined to a single division, and those who operate in a single division will become more thoroughly acquainted with other classes than they would in working solely in making examinations. During the present fiscal year I expect to see great advances made in the work of classification. The Chief of the Classification Division deserves much credit for what has already been accomplished under his direction, especially in view of the limitations that have necessarily been placed upon him.

ROOM.

This one word expresses the crying need of this bureau. With adequate room whereby our records and stock can be made accessible and the clerical divisions suitably rearranged, our present force can accomplish much more work in a given time and fill all orders with business promptitude.

I earnestly beg that when the General Land Office vacates the Patent Office building you will assign rooms, so far as possible, sufficient for the needs of this bureau. In view of the fact that millions of dollars of property would be jeopardized by the destruction of our assignment records—many of the original assignments having been lost by their owners, who depend upon duly certified copies—and in view of the fact that many of our other records are largely of a nature that money could not replace, I believe a fireproof structure should be provided in which to store them. The American Society of Mechanical

Engineers, representing the leading manufacturing and engineering interests of the country, as well as other similar organizations, have forcefully urged the erection of such a building.

LEGISLATION.

Some general legislation increasing the powers of the Commissioner of Patents, acting under the direction of the Secretary of the Interior, would be beneficial. I refer among others to a readjustment of salaries and a reclassification of the clerical force; authority to dispose of models of expired patents; and the exchange or sale of books in the scientific library not necessary for the use of the office, coupled with authority to replace them with modern scientific works. In submitting my estimates for the next fiscal year these and other matters requiring legislation will be referred to more in detail.

Respectfully submitted.

C. H. DUELL,
Commissioner.

The SECRETARY OF THE INTERIOR.

REPORT OF THE COMMISSIONER OF PENSIONS.

DEPARTMENT OF THE INTERIOR,
BUREAU OF PENSIONS,
Washington, D. C., August 25, 1899.

SIR: I have the honor to submit for your consideration the following facts and figures, being a report of the operations of the Bureau of Pensions for the fiscal year ended June 30, 1899, viz:

TABLE NO. 1

shows the number of pensions allowed on original applications 37,077, number restored 3,914. Total new names added 40,991, and the number dropped 43,186, showing a decrease of 2,195 pensioners on the rolls as compared with the close of the fiscal year 1898.

This table also shows that the annual value of the roll at the close of the year was $131,617,961, while at the close of the year 1898 it was $130,968,465, or an increase of (as an annual value) $649,496.

It will be noted that there was a slight increase in the average annual value of all pensions, viz: From $131.79 to $132.74, the rate under the general laws having increased from $163.21 to $165.70, and those under the act of 1890 from $108.11 to $108.99, while the average annual value of the pensions granted under the war with Spain amounts to $196.53; this is explained by the fact that only about 300 pensions on account of this war have been issued, they being for widows and gunshot wounds, the minor disabilities having not as yet been considered.

The number of pensioners on the rolls June 30, 1898, was 993,714, and on June 30, 1899, 991,519. Decrease in numbers, 2,195.

Thus while the roll decreased in numbers during the year, it increased in annual value $649,496, occasioned by increased ratings for increased disabilities.

The probabilities are that the roll will not only increase in amount but in numbers for the fiscal year 1900, by reason of the war with Spain.

The total number of pensioners, classified by wars and as pensioned under the several laws, compared with the years 1898 and 1897, are as follows:

	1899.	1898.	1897.
War, Revolutionary:			
Widows	4	5	7
Daughters	7	7	9
War, 1812:			
Survivors	1	3	7
Widows	1,998	2,407	2,810
Indian wars:			
Survivors	1,656	2,019	2,373
Widows	3,899	4,007	4,288
Mexican war:			
Survivors	9,204	10,012	10,992
Widows	8,175	8,143	8,072
Service after March 4, 1861:			
General laws—			
Army invalids	316,834	327,080	336,209
Army widows	90,597	92,545	94,602
Navy invalids	4,721	4,833	4,788
Navy widows	2,293	2,300	2,375
Army nurses	653	655	663
Act June 27, 1890:			
Army invalids	405,987	390,366	378,609
Army widows	124,127	119,785	110,593
Navy invalids	14,925	14,543	13,831
Navy widows	6,139	5,944	5,766
War with Spain:			
General laws—			
Army invalids	117	.....	.....
Army widows	105	.....	.....
Navy invalids	6	.....	.....
Navy widows	11	.....	.....
Total	991,519	993,714	976,014

Also, there are pensioned, that do not show on the rolls as separate pensioners for the reason that they are paid on certificates with the widows (their mothers), 58,568 minors. At the close of the fiscal year 1898 there were 65,413, and for 1897 there were 65,869 minors.

It will be found on further classification that the pensioners on the rolls June 30, 1899, were divided as follows:

	Survivors.	Invalids.	Widows.
On account of old wars, prior to 1861	10,861	.....	14,083
On account of general laws	.....	322,208	92,890
On account act June 27, 1890	.....	420,912	130,266
On account war with Spain	.....	123	176
Total	10,861	743,243	237,415

Army nurses, 653, are included in invalids under general laws.

Also, dependent parents and relatives are carried under the heading of "widows" in all tables under the respective laws.

It will be noted that during the year 32,148 straight increases were allowed as compared with 26,760 for the year 1898.

Also, that there are now 98,704 more invalids pensioned under the act of June 27, 1890, than under the general laws on account of the civil war (and the general laws cover all pensioned on account of the Regular Army and Navy for services rendered since the civil war), and that there are 37,376 correspondingly more widows pensioned under the act of June 27, 1890.

Your attention is invited to the fact that the annual value of the pension roll was greater on June 30, 1899, than it ever had been (see

Table No. 28), being $649,496 more than it was on June 30, 1898, which was the largest up to that time. It will be noted that while the rolls contain the names of 2,195 less pensioners than the year preceding, the average annual value of each pension was greater on June 30, 1899, than it was on June 30, 1898. The average annual value of each pension (invalid and widows) under the general laws is greater than it ever has been, and while the average annual value of each pension under the act of June 27, 1890, gradually decreased from 1891 (first year), the table shows that there was an increase in the value during the past year, and this, too, while the number of widow pensioners was greater than ever before.

The total amount paid out in the fiscal year of 1898 for army and navy pensions was $144,651,879, while for the fiscal year of 1899 the amount was only $138,355,053, showing a decrease of $6,296,826. This decrease is due in part to the fact that there were 7,614 certificates (original and restorations, see page 3, report of 1898) issued in June, 1897, which were held in the Bureau and not sent to the agencies for payment until after July 1, 1897 (account fiscal year 1898), so as to avoid creating a deficiency; also the first payments were considerably larger in the year 1898 than in the year 1899, for the reason, as stated, that special efforts had been made to adjudicate and dispose of the claims of long standing during the year 1898, and there were less of them during the past year.

TABLE NO. 2

shows the number of pensioners dropped from the rolls by reason of death, remarriage of widows, minors attaining the age of 16, failure to claim within statutory period, and for all other causes, and in comparison with previous years were as follows, viz:

Year.	By death.	Remarriage.	Minors.	Failure to claim.	Other causes.	Total.
1899	34,345	983	1,631	2,029	4,198	43,186
1898	33,691	1,369	2,124	3,031	6,436	46,651
1897	31,960	1,074	1,845	2,683	3,560	41,122
1896	29,393	1,141	1,684	2,552	9,323	44,093
1895	27,816	1,204	1,144	2,567	9,680	42,411

This table shows (footnote) the number of minors not appearing on rolls in separate certificates.

TABLE NO. 3

shows the amount of the several appropriations and amount of disbursements for each account during the year, viz:

Amount for pensions, appropriations	$140,000,000.00
Amount paid out for pensions	138,355,052.95
Appropriated for medical examinations	950,000.00
Paid out for three quarters	715,191.26
Appropriations for salaries and clerk hire, agencies ($72,000 and $415,000)	487,000.00
Paid out for salaries and clerk hire, agencies	476,456.98
Appropriations for rents, fuel, lights, and contingencies, agencies	46,830.00
Paid out for rents, fuel, lights, and contingencies, agencies	45,039.51
See footnote showing amount disbursed for navy pensions during the year	3,683,794.37
Of this amount there was paid from the navy-pension fund	342,275.00
Leaving a balance of	3,341,519.37

to be paid from the regular annual appropriation by Congress for the payment of pensions. It is, I think, generally believed that the navy pensions are paid wholly from the "Navy-pension funds," which is not the case.

TABLE NO. 4

shows the disbursements at the several (eighteen) agencies for army and navy pensions, fees to examining surgeons, salaries, clerk hire, rents, fuel, lights, and contingent expenses, being a total of $139,482,695.87.

TABLE NO. 5

shows amounts paid at each of the several agencies for pensions granted under the general laws, viz: $71,115,703.56. For the year 1898 it was $75,275,383.12.

TABLE NO. 6

shows the amounts paid at each of the several agencies for army and navy pensions granted under the general laws for account of the war with Spain, the total being $28,606.81.

TABLE NO. 7

shows the amounts paid at the several agencies for army and navy pensions granted under the act of June 27, 1890, and the total so paid was $64,321,460.77. For the year 1898 it was $66,255,670.67.

TABLE NO. 8

shows payments on account of war of 1812, $44,381,783.22; war with Mexico, $26,670,002.19; Indian wars, 1832 to 1842, $4,421,886.16.

The above are total payments down to and including fiscal year 1899.

TABLE NO. 9

shows the number of each class of claims allowed and amounts of first payments, and the average of each first payment under the different laws. Also that at the close of the year there were in the hands of the disbursing agencies 7,153 certificates issued by this Bureau, on which the first payments will be $853,528.86.

Also amount of fees paid attorneys for the year, by deducting same from pension allowances, $476,969.61, as compared with the year 1898 of $730,019.36.

TABLE NO. 10

is a classified statement of the number of pensioners on the rolls of each agency and showing increases and decreases by classes, viz:

NET DECREASES.

War 1812, survivors	2
War 1812, widows	409
Mexican war, survivors	808
Indian war, survivors	363
Indian war, widows	168
General law:	
Army invalids	10,246
Army widows	1,949
Army nurses	2
Navy invalids	112
Navy widows	7
Total	14,066

NET INCREASES.

Act June 27, 1890:	
Army invalids	6,621
Army widows	4,342
Navy invalids	382
Navy widows	195
War with Mexico:	
Widows	32
War with Spain:	
Army invalids	117
Army widows	165
Navy invalids	6
Navy widows	11
Total	11,871

TABLE No. 11

shows the disbursements for pensions from 1866 to June 30, 1899, viz:

Army	$2,338,559,870.58
Navy	51,351,104.16
Total for pensions	2,389,910,974.74
For fees paid examining surgeons	15,490,986.23
For expenses disbursing	12,092,178.63
For salaries in bureau	44,442,110.75
For other expenses	7,795,115.67
Total	2,469,731,366.02

TABLE No. 12

is a statement showing original claims filed during the year, by classes under different laws and the several wars, and corresponding showing of allowances for each year since 1861.

The footnote explains the claims filed as of account of war with Spain, and all these claims are considered in the total 48,765 claims filed.

For detailed account of claims filed, see Table No. 19 and explanation.

TABLE No. 13

is a statement showing the number of pensioners residing in each State and Territory, together with the total amount of pensions paid in each State and Territory; also number of pensioners living in foreign countries and the amount of money paid in each country during the year.

The number of pensioners living abroad is 4,306, and amount paid in pensions was $633,309.70. It is shown that there are 65 less pensioners abroad than at the close of the fiscal year 1898.

The summary on this table shows that there were paid out for pensions for the year $138,355,052.95.

TABLE No. 14 WITH 14A AND 14B

show by classes the number of pensioners under the general laws, and the number under each rating.

First, it will be observed (14) that there are 1,294 widows drawing only $8 per month under the general law; these married the soldier since March 19, 1886 (see act of March 19, 1886).

The 82,634 widows at $12 per month were entitled by reason of the marriage prior to March 19, 1886, and the soldier husband having died of a disability of service origin.

The 1,569 pensioned at $15 per month represent widows of officers who held the rank of second lieutenant; the 2,542 pensioned at $17 per month, rank of first lieutenant; the 2,820 at $20 per month, rank of captain; the 861 at $25 per month, rank of major, and the 877 at $30 per month, widows of officers holding the rank of lieutenant colonel or of higher rank, this being the maximum rate that can be granted under existing laws. Those of irregular rates are granted under or by virtue of special acts of Congress.

It will be noted that there are 15,498 invalid pensioners at the rate of $30 per month, or total disability; this rate is also given for the loss of an arm below the elbow, a leg below the knee, total deafness, and for officers with rank of lieutenant-colonel, or higher rank, — known as "rank" pension.

The irregular rates in the Navy pensioners are occasioned by reason of the "Navy pension" being granted in addition to regular pension for disability.

Table 14a gives a list of those pensioners under the act of June 27, 1890, providing for a pension of from $6 per month minimum to $12 per month maximum for disability incurred since the war to such an extent as to incapacitate the soldier from making a living in whole or in part by manual labor. Your attention is called to the fact that under this law there are 160,406 invalid pensioners at the rate of $12, being the corresponding rate to $30 under the general laws, for disabilities contracted in the service and for which there are 15,498 pensioned, including other conditions.

Attention is requested to footnotes on this table—14a.

Table 14b.

War of 1812 there were 5 widows pensioned; "old wars" prior to 1861 there were 3 widows pensioned; Indian wars 1832–1842 there were 13 survivors and 227 widows pensioned; for account of the war with Mexico there were 26 survivors and 427 widows pensioned, making a total of 39 survivors and 662 widows pensioned on account of these wars.

This table also contains an exhibit of pensions granted for account of the war with Spain.

Table No. 15

gives the names of the surviving widows and daughters of the revolutionary soldiers on the pension rolls June 30, 1899, with their ages and places of residence.

In comparing this with the similar table of last year it will be found that widow Nancy A. Weatherman, of Elk Mills, Tenn., has passed away, leaving at the close of the year 4 widows and 7 daughters.

At the close of the fiscal year 1898 there were 3 survivors of the war of 1812; during the past year Elijah Glenn, of Newark, N. J., and Eleazor Smith, of Danbury, N. H., have passed away, leaving but 1 survivor of the war of 1812 on the roll of honor, viz: Hiram Cronk, aged 99 years, post-office address, North Western, N. Y.

Table No. 16

is a report showing the number of pension certificates issued during the year of all classes.

The issues were as follows, viz:

	Invalid.	Widows.	Total.
Original:			
Old wars	39	662	701
General laws	1,975	3,457	5,432
Act of 1890	18,525	12,100	30,625
Army nurses	16		16
War with Spain	125	178	303
Total	20,680	16,397	37,077
Restoration:			
Old wars			5
General laws			1,708
Act of 1890			2,201
Total			3,914
Total originals and restoration			40,991
Straight increases			24,497
Reissues and additional			7,911
Duplicates			3,894
Accrued			11,761
Grand total			39,054

TABLE No. 17

shows in detail the operations of the mail division.

TABLE No. 18

shows in brief the operations of the army and navy survivors division, which is a great source of satisfaction and of information to the soldiers in finding and locating their comrades in the different organizations.

TABLE No. 19

is a classified statement of the number of claims pending on the 30th of June, 1899. Also the number of rejected and abandoned claims in the files of the Bureau on that date.

This table is based upon an actual count of the files which was made at the close of the fiscal year, and I desire to invite your special attention to some of the features presented in this table.

On June 30, 1898, there were 635,059 claims pending. In this number there was included a large number of claims filed many years ago, and which were awaiting testimony called for by the Bureau at different times.

No testimony having been furnished in such cases and no inquiry having been made by the claimants, it is presumed that the claimants are deceased or have abandoned the prosecution of their claims, and as many new claims are being received daily it was deemed expedient to establish a separate file for these abandoned cases and thus make room for the new claims in the pending files. These abandoned claims have therefore been transferred from the pending files and they are not included in the number of pending claims in this table.

Exhibit E presents a statement of rejected and abandoned claims in the files of the Bureau. It must be remembered that these cases, while no longer carried as pending claims, are subject to reopening upon the filing of new and material evidence, and when so reopened they are brought back to the pending files and carried on the reports as pending claims.

The number of claims based upon service rendered prior to March 4, 1861, including claims for bounty land, has been reduced from 4,239 to 2,453 during the year ended June 30, 1899.

Exhibit B shows the total number of claims of all classes pending June 30, 1899, to be 477,239.

On June 30, 1898, there were pending 635,059 claims, showing a decrease for the year of 157,820 claims, which is a very material reduction when we consider that the number of cases reported pending June 30, 1899, includes 17,335 claims arising out of the war with Spain, and that no claims of this class were embraced in the number reported as pending June 30, 1898.

Exhibit C shows the number of "original" claims pending at the close of the fiscal year.

It will be noticed that the number of claimants of all classes (invalids, widows, etc.), including those based upon service in the war with Spain, who have not received pension is 135,041. Excluding army nurses and soldiers of the war with Spain, there are 69,168 soldier claimants who have not yet been pensioned.

This number includes soldiers who served prior to 1861, and in the war of the rebellion, as well as those who have served in the Army and Navy since 1865, and up to April 21, 1898.

The number of surviving claimants represented by the rejected and abandoned claims can, of course, not be determined by any obtainable data, as the death of claimants in that class of cases is not usually reported to this Bureau.

I desire to invite your attention more particularly to the 305,042 claims in which pension has heretofore been granted and in which an additional allowance or an increase of rate is claimed.

This number embraces many thousand claims in which pension has been granted long since for wounds and diseases shown as of service origin.

Many of these men filed applications soon after discharge, and alleged disabilities which were shown due to service, and pensions were allowed for the same. Applications for increase followed from time to time, which have been duly settled.

In the course of advancing age other disabilities developed, and the claimant has been induced to make an application for pension on their account, in most cases alleging that they were the result of service. Usually the official records of the War Department afford no evidence of said disabilities in service, and in most cases the many different medical examinations have failed to disclose their existence. Yet, under the rule, all such applicants are entitled to a medical examination, although such examinations fail to find any evidence of the disabilities alleged, and, as a result, several hundred thousand dollars are yearly expended in holding medical examinations in cases where a disability, even if found, can not be established as being in any way due to the service, having developed many years after the discharge of claimant.

These claims take up the time and labor of many efficient examiners, frequently to the detriment of worthy claims in which no pension has yet been granted, and the pressure for early action in that class of cases is, as a rule, the most persistent.

The mails are filled with complaints of delay, which upon investigation are found to pertain to claims of this description, and it frequently happens that pensioners receiving a high rate of pension complain very bitterly if their cases do not receive immediate consideration.

Included in this number are many claims for increase in which pen-

sion has been granted for permanent disabilities not liable to change for the worse. But, notwithstanding this fact, pensioners are induced to apply for increase year after year, thus causing the expenditure of a large amount of money in holding medical examinations which show that no change has occurred in the degree of the pensioner's disability.

It is shown by the report of the medical referee that adverse action was taken in his division in 51,989 claims of this character during the year.

It may not be out of place to state that I have given the right of way to "original" claims in which no pension has ever been allowed, and this rule is deemed by me to be eminently just and proper in the disposition of the work of the Bureau.

As an illustration of the manner in which these claims have been presented I may cite a case, which is not an unusual one, where a soldier applied for pension in 1884 (nineteen years after his discharge), for disability on account of chronic diarrhea, disease of kidneys and lungs, and rheumatism, resulting in general debility, contracted in the service.

He was granted a pension in 1885 for rheumatism, diarrhea and resulting piles, the only disabilities shown on two medical examinations held in 1884 by different boards of surgeons.

In 1889 (twenty-four years after his discharge) he filed an application for increase, claiming that the disabilities for which he was pensioned had resulted in disease of the heart, liver, stomach, bowels, spleen, and throat, and partial paralysis of right arm, forearm, and hand, also atrophy of the muscles of left arm, and lumbago.

A medical examination by a board of surgeons found no signs of disease aside from those for which he was pensioned, and no increase was shown from pensioned causes.

In 1894 (twenty-nine years after he left the service) he filed another application for increase, in which he claimed, in addition to the disabilities for which he was pensioned, disease of heart and digestive organs, cold and resulting disease of respiratory organs, catarrh, disease of eyes and urinary organs, scurvy and resulting disease of mouth and loss of teeth, and disease of legs, all contracted in the service. The records of the War Department afford no evidence of his treatment for any of the alleged diseases in the service.

The foregoing is only a sample of hundreds, even thousands, similar in character, where numerous medical examinations have been had of the respective claimants, covering the period of many years, and while the established practice gives the claimant always a right to be heard, it is next to impossible, under these conditions, to furnish evidence to establish new disabilities for claims filed at this late date, when the war records do not give any foundation for such a claim, and the medical examinations from time to time, covering the period of a third of a century discredit the claim; however, the time of many examiners is given to this class of claims, they are necessarily rejected only to be again reopened, and again rejected from time to time.

Your attention is respectfully invited to the figures in Table No. 19, with explanatory notes, showing the various classes of claims as per a very careful inventory.

TABLES NOS. 20 AND 21

give in detail the operations of the special-examination division, showing amount of work accomplished.

It will be noticed that the number of cases in the hands of special

examiners in the field for investigation and completion June 30, 1898, was 14,721, while the number June 30, 1899, was 11,497, showing a decrease of 3,224 cases, or there were 27 per cent more cases in the field June 30, 1898, than at the close of the last fiscal year.

Much of the time and skill of the special examiners in the field for the past two years has been given to the working up of the old cases (the "knots in the wood pile") that had been pending for a long time, and a commendable effort has been made to settle many of these old cases, one way or the other, that they might be disposed of, and thereby give the more consideration to current work, and it will be seen that substantial progress has been made in this direction.

TABLE NO. 22

is a report in detail of the law division of this Bureau. This division has charge of all law questions, the criminal prosecutions of offenders against the pensioners, as well as against the Government, and attention is particularly requested to this feature of the report. Reference is made to the discovery of a considerable number of fraudulent claims filed (see pp. 73, 74). These claims were filed through different attorneys in this city by subagents or solicitors. Your Commissioner has no reason to suspect the attorneys that filed the claims in this Bureau as being in collusion with the fabricators of the claims (the subagents or solicitors) that prepared them; but, on the other hand, the attorneys filing them being of reputable character and standing, it only illustrates more forcibly the dangers incident to the system, or "established practice," of accepting claims made up all the evidence complete, ex parte, prima facie cases by unknown and irresponsible parties. Reputable attorneys should be held to an accountability for their subagents and solicitors, and I do most earnestly commend the recommendations made by the chief of the law division upon this branch of the service, looking to the protection of the Bureau. The attorney must in some way be held accountable for the acts of his agent or subattorney. When this Bureau ascertains that a reputable attorney is filing claims prepared by irresponsible and unscrupulous solicitors or subagents, it necessarily puts all his claims under suspicion, delays the adjudication of claims of deserving claimants, and renders it necessary oftentimes to send the claims to the field for examination, thereby visiting a considerable expense upon the Government (see pp. 76, 77, 78).

A partial list of crimes against the pension laws for which convictions were had during the year is submitted.

ATTORNEYS.

Your Department authorized the revision of the list of registered attorneys. The result in detail is given.

The records contained, all told, of individuals (attorneys and individuals comprising firms) on July 1, 1898, about 50,000 names. Necessarily in the verification of the records and fee contracts search had to be made through this extended register, many of whom had ceased to practice long since.

On the revision the names of 24,435 attorneys were dropped.

This exhibit also shows the amount of cash recovered from various sources, $11,268.27.

ACT OF MARCH 3, 1899.

providing for the payment of one-half the pension to the wife or minor children, under specified conditions, is being enforced through the law division. There have been 1,137 claims filed under this act. This law, in my opinion, will afford considerable relief to a very deserving class of people.

TABLE NO. 23 (SPECIAL).

Your attention and consideration is asked to the report of the acting chief of a section of reviewers detailed and assigned to the duty of reviewing a lot of claims brought in from the field. Last January I directed that all claims that had been in the field undergoing special examinations for the purpose of giving the claimant an opportunity to establish his or her claim by the aid of special examiners calling upon designated witnesses or others, should be returned to the Bureau for examination where they had been out under investigation twelve months or more, for the purpose of determining by careful and expert examiners, whether or not there was merit in each individual claim. Twelve of as competent, careful, and skilled examiners as are in this Bureau were designated to do this work.

There were brought in 5,773 claims; these were given careful consideration with the following results, viz:

There were allowed	380
Sent to the adjudicating divisions	73
Returned to the field for further consideration, possibly having merit	2,194
Rejected as without merit	3,126
Total	5,773

Of course those that were rejected have the right of appeal.

Nearly all whose cases were rejected were already pensioned, either under the general laws or the act of June 27, 1890.

TABLE NO. 24

is an itemized list of special acts granting pension by the third session of the Fifty-fifth Congress, covering 300 special pensions.

The name of each beneficiary, the service, the rate allowed by special act, together with the former rate pensioned, is given. A summary or recapitulation follows, showing the number pensioned at each rate, the monthly value, and annual rate of all so pensioned.

TABLE NO. 25

is a report of the work of the record division of this Bureau, to which your attention is respectfully invited. This report furnishes evidence of the competition, the activity and energy displayed by the claim agents and solicitors in securing and filing claims.

First. The total number of claims of all kinds filed under the general laws (excepting the claims filed on account of the war with Spain) were		15,351
Of this number there were duplicates	2,099	
Claims for those already pensioned under act 1890	1,910	
Claims for those having claims already pending under act 1890	1,976	
Claims for increase—claimants already pensioned	31,770	
		37,755
Leaving original claimants		7,596
Army nurses	38	
Invalids	1,412	
Widows	5,200	
Minors	789	
Mothers, fathers, brothers, and sisters	157	
		7,596

The same or worse conditions are shown, as will be seen under the exhibit, of claims filed under the act of June 27, 1890, viz:

Total number of claims filed		85,754
First deducting claims for increase		34,330
		51,424
Of this number there were duplicates	24,300	
Claims filed for those pensioned under general laws	2,572	
Claims filed for those having claims pending, general laws	3,847	
		30,719
Leaving original claimants		20,705
Viz:		
Invalids	6,860	
Widows	12,505	
Minors	1,066	
Mothers, fathers, brothers, and sisters	274	
		20,705

Showing that for the year there have been of these two classes of claims 26,399 duplicate original claims filed; 4,482 claims for those already pensioned under other laws, while there were 5,823 claims filed for claimants having claims already pending under other laws.

The same conditions are already developing in the filing and recording of claims for disabilities incurred in the war with Spain, viz:

Total number of claims filed		17,345
Duplicate claims	318	
Claims filed under general laws, also same claimants under act of June 27, 1890	25	
Claims for increase	5	
Applications on file for prior service	16	
		359
Number of original claimants, Army and Navy		16,986
Invalids	14,501	
Widows	612	
Mothers	1,490	
Fathers	320	
Brothers and sisters	6	
Minors	57	
		16,986

These conditions render it necessary that the very greatest of care and skill be exercised to the end that no duplicate pensions be issued; the records must be carefully and thoroughly searched in each individual case, both as to the name and service, as well as the record of admitted claims, and those of pending claims under the different laws. I am confident that the system, together with the care and skill of the record searchers, has reduced the chances for error, or the issue of duplicate pensions to the same claimant under the one or both laws, to a minimum.

It will be noticed that during the year there were filed 62,189 claims for increase, as compared with 105,857 for account of the Army in the preceding fiscal year.

The act of June 27, 1890, is not applicable to claims on account of the war with Spain, excepting for dependent parents.

TABLE NO. 26

is the report of the medical referee of this Bureau. To this I most respectfully ask your attention and consideration. The work is well up in this branch of the service, only 680 cases remaining in the division at the close of the year. The medical referee, in his report to your

Commissioner, dwells largely on the organization, the practical workings, and the impractical results of the system of medical examinations, by the 1,500 medical examining boards scattered throughout the country, and the lack of uniformity in their work and ratings, all of which is the result of the system or established practice. I commend this report as a pen picture of the condition of the medical system.

The appropriation for medical examinations for 1897 was	$700,000
The demand for medical examinations was so great that your Commissioner asked for an additional appropriation of	250,000
This was found insufficient at the close of the year and there was a further appropriation to cover deficiency of	11,000
Making a total of	961,000
Appropriated for the year just closed	700,000
Additional asked for and the appropriation had	250,000
It is believed now that this amount, viz:	950,000

will be sufficient to meet the expenses in this branch of the service.

The annual appropriation acts for payment of fees to examining surgeons contain this proviso, viz:

That the report of such examining surgeons shall specifically state the rating which in their judgment the applicant is entitled to.

This clause is the source of much complaint and confusion, as well as criticism upon the medical division of this Bureau and not excepting the Bureau in general.

Instructions are furnished the 1,500 or more boards of surgeons by this Bureau as to their duties. The surgeons comprising the local boards are supposed to contain the best skill in medicine and surgery that the community has, and this being so, even this great number of learned men and different medical boards must read and understand their instructions differently. Each examination, as recorded and reported, is expected to contain an exact pen picture of the condition of the claimant for original pension or increase, whether it be under the old law or the new; an accurate and painstaking diagnosis of the claimant's disabilities is expected to be given on the adopted form or blank, in such detail as to medical terms and description as will enable the trained and experienced medical men of this Bureau to accurately determine the condition of the claimant, and thereby under the law and adopted practice and ratings give each claimant the same rate of pension for the same degree of disability.

As a result of these instructions, issued by this Bureau in compliance with the law, the medical boards estimate the disabilities of claimants under the act of June 27, 1890, and give the same ratings as for disabilities under the general law, and recommend $14, $16, $17, $24, and $30 ratings, respectively, for claimants who can receive only within the range of $6, $8, $10, and $12 per month.

In other words, all ratings by examining surgeons are based upon disabilities of service origin, and their application to ratings under the act of June 27, 1890, is properly made from such reports by the medical division in this Bureau upon the basis as established by the practice.

There are now 1,361 medical boards of 3 surgeons each; 218 single surgeons, and 170 specialists for examining claimants for original pension and for increase; 202 of these boards were placed under the classified service on May 6, 1896, by Executive order, or, in other words, all boards when the individual members each earned $300 or over in fees

per annum. The Executive order modifying the civil service, issued May 29, 1899, withdrew from the classified service all such examining surgeons, upon the suggestion of the Civil Service Commission. Four of the classified boards had resigned; other boards had been appointed to the number of 52, superseding, in effect, that many of the classified boards, leaving at that date 146 boards (438 surgeons) withdrawn from the classified service. (See Table No. 26a.)

TABLE NO. 27.

REPORT OF THE CHIEF OF THE BOARD OF REVIEW.

It will be noticed that there were 245,255 claims examined by the board. Of this number there were returned 51,491 claims to the adjudicating and other divisions by reason of the same being incomplete or lacking in evidence to justify final action.

There were rejected, of all classes, 107,919 (see cause of rejections, p. 27), and there were admitted, of all classes, 85,845, making a total of 193,764 claims adjudicated, or at the rate of over 600 for each working day.

There were 8,845 notices of appeals by claimants from action of the Bureau (as compared with 12,057 for the preceding year).

It affords me pleasure to state that out of 4,941 cases disposed of by your Department on appeal, the action of this Bureau was reversed in only 371 cases, and a number of these were not appeals from the action of the present organization, but were acted on by the Department on former rejections of the Bureau.

TABLE NO. 28

shows the value of the pension roll June 30 of each year, beginning with 1890, and amount paid the following year, together with the average value of the pension each year and the value under each law.

The value of the roll June 30, 1899, is greater than ever before. (See foot-notes to exhibit.)

TABLE NO. 29

shows number of employees of the Bureau and annual appropriations for salaries of employees of the Bureau, together with appropriations for per diem and expenses of special examiners in the field, beginning with the year 1865 down to the close of the fiscal year June 30, 1899.

WAR WITH SPAIN.

Up to the close of the fiscal year there had been filed 17,560 Army and Navy claims, and 303 allowed on account of service in the war with Spain; the latter being claims of widows and invalids by reason of gunshot wounds and for the more severe disabilities. Claims for the minor disabilities or disabilities of a temporary character are taken up for action in the order of their filing.

Some complaints were made against this Bureau for the stopping of the pensions of those who enlisted or accepted commissions in the war with Spain. These pensions ceased by operation of law, and not by any order or instructions from this Bureau. Congress provided in the act of March 3, 1891, "that hereafter no pension shall be allowed or paid to any officer, noncommissioned officer, or private in the Army, Navy, or Marine Corps of the United States, either on the active or

retired list." This act was supplemental to section 1721 of the Revised Statutes.

Up to this date the several pension agencies have reported 13 Navy, 44 of the Regular Army, and 66 of the war of the rebellion pensioners who entered the service in the war with Spain.

Claimants for pension on account of service in the war with Spain come under the general laws; the act of June 27, 1890, not being applicable, except in the case of dependent parents.

The States of Pennsylvania and New York each having two agencies for the payment of pensions, I have directed that all pensioners on account of service in this war residing in Pennsylvania be paid by the Philadelphia agency, and those residing in the State of New York at the New York City agency, for the reason that sometime in the future the agencies will be consolidated, and payments in each of those States will then be made by one agency.

PENSION AGENCIES.

The several agencies (18) employ in all 440 clerks. The work is well in hand, and the rapidity and promptness which characterizes the quarterly payments is remarkable.

The Milwaukee agency moved into the new public building May 1, 1899, the New York agency has been transferred to new and much more desirable quarters, and the agency at Indianapolis has changed its location. In each case efforts have been made to lessen the danger from fire, or the destruction of the records in case of fire, by occupying better buildings of more modern construction.

The following agencies now occupy leased quarters, viz:

Name of agency.	Annual rentals, etc.				
	1896.	1897.	1898.	1899.	1900.
Buffalo		$2,928	$1,500	$1,500	$1,500
Detroit	$2,400	2,400	2,400	2,400	
Indianapolis	2,500	2,500	1,500	1,500	2,300
Milwaukee	2,500	2,500	1,500	1,250	
New York	10,000	10,000	5,000	5,000	4,500
San Francisco	1,872	1,872	1,300	1,300	1,300
Topeka	2,250	2,250	1,500	1,500	1,500
Washington	1,380	1,380	1,380	1,380	1,380
Total	22,902	25,830	16,080	15,830	12,480

Section 4764, Revised Statutes, as amended by the second section of the act of March 3, 1891, provides that within fifteen days immediately preceding the fourth day of the month in which payments become due, the several agents for the payment of pensions shall prepare a quarterly voucher for every person whose pension is payable at his agency, and transmit the same by mail to such pensioner.

This law is not respected, and has not been for years. Instead of sending out the vouchers to pensioners "within fifteen days immediately preceding" pay day, the vouchers for the current quarter go to the pensioner with the check for the past quarter.

The law is right, and this practice is wrong.

The practice makes an endless chain, and in case of the death of a pensioner leaves not only a certificate, which is prima facie evidence of title to pension, but a voucher for the current quarter in the possession of some one. It is a temptation and has caused crime; the temp-

tation would be less if the voucher was not sent, except as provided by law. While the proper observance of the law would create additional work in the agencies, it would be a protection against the illegal presentation of vouchers to the pension agents and the payment of pension money to unauthorized persons after the death of pensioners.

May 7, 1877, an Executive order was issued designating the bounds of the several districts in which payments of pensions shall be made by the agencies located in those districts, and directing that all pensioners residing within each separate district shall be paid by the agency located in said district.

This order has never been fully carried out, and at present I think it safe to say that each agency has on its rolls the names of pensioners residing in almost every State in the Union, caused by the fact that pensioners have moved out of the State in which they resided when their names were placed on the rolls, and the agency has failed to report them for transfer.

I shall take steps in the near future to have the proper transfers made of pensioners residing out of the territory in which they are paid to the rolls of the agency district in which they now reside.

ACT OF JUNE 7, 1888.

Under existing laws the pensions of soldiers or sailors whose applications have been filed since July 1, 1880, or may hereafter be filed, commence at date of filing the declaration in this Bureau.

The same provision of law applied to claims of widows until the passage of the act of June 7, 1888, which act removed all limitations as to the date of filing in widows' claims, and made their pensions commence from the date of death of the husband.

As stated in my last annual report, this law is not, in my opinion, consistent in its results with a well regulated system of pensions.

It appears to me that it is not just to grant arrears of pensions to widows, while the soldier or sailor who rendered the service is held down to the date of filing his application. The result of the above act is to grant, in many cases, large amounts of pension money to former widows of soldiers who have long since remarried and whose husbands are practically receiving the benefit of the pension, although they may never have rendered any service.

This act also results in the filing of many fraudulent claims, on account of the death of soldiers in the service leaving no one who is entitled to pension. It will be noted that the first payments in this class of cases involve several thousand dollars, and constitute a strong incentive for unscrupulous persons to perpetrate a fraud upon the Government.

The records of national cemeteries have been brought into use for the purpose of determining the names and service of those buried there. Women are then hunted up who are induced to execute applications for pension on account of the service and death of these soldiers. These women become pliant tools in the hands of the operators. A prima facie case is made out by means of "stock witnesses," and the originator of the fraud pockets the amount of the first payment, leaving the fraudulent claimant to reap the benefit of the future payments. Great difficulty is often experienced by this Bureau in disproving a marriage or marriage relations alleged to have occurred thirty or forty years ago.

A notable case of this kind came up for settlement during the present

year. The claim of the alleged widow was so strongly built up that the Bureau was about to issue a certificate granting her a pension amounting to over $4,000. The case had been sent to the field for special examination and reported as being meritorious.

Before issuing the certificate another special examination was deemed advisable, and the papers were sent to another special examiner, who secured testimony tending to show the fraudulent character of the claim. He confronted the claimant with this evidence, and she thereupon made a full confession, showing that she was never married to the soldier, and that she was induced to apply by parties who were making a business of filing fraudulent claims under the operations of the act of June 7, 1888.

In urging the repeal of this law I shall only cite you to a very few sample cases, for instance: Case, certificate No. 256905, where the widow was pensioned in 1889 to date from 1865; she was represented as being the widow of a soldier who died that year; satisfactory proof (ex parte, of course) was furnished showing that she was the lawful widow of the soldier. It has recently been developed that she was not his widow, that she never had occupied any relations with him as wife or mistress, but that she was, at the time of filing her claim, the wife of another man of an entirely different name. She is now a widow and is under arrest. She has received more than $4,000 pension.

Another case in the same city (certificate 217001) where, through the aid of an attorney, she established her claim as the widow of a deceased soldier. The evidence shows now that she was not his widow, but that before the time she alleges to have been the soldier's wife she was the wife of another man, and that since the death of the soldier she has continued to live with the same man as her husband. She has drawn over $4,000, and is now under arrest.

Another case where a soldier died in 1896. An application was filed May 27, 1899, by a woman claiming to be his widow. In support of this claim the local agent, who is a notary public, forged a number of affidavits and filed them in this Bureau. As a precautionary measure he told the persons whose names he had forged the contents of the papers purporting to have been signed by them, endeavoring to cause them to testify that they had actually executed the papers and that they were true.

Quite a number of similar forgeries in other cases have been developed by our special examiners in the same neighborhood, thus casting a doubt upon the genuineness of the testimony filed in claims of persons residing there, and rendering it very difficult to adjudicate their claims without thorough investigation.

The law should be repealed. It is a bad law and it holds out inducements and practically offers a premium to the vicious to file fraudulent claims, carrying temptingly large sums as arrearages, and inasmuch as fully 90 per cent of all claims are adjudicated on exparte evidence, the opportunities are inviting. The legitimate claims of widows are filed promptly, and no hardship will result to the honest claimant by the repeal of this law. It is a bad law that encourages crime, and the Government has but little opportunity to disprove a carefully prepared fraudulent case under this law.

Legislation should be had to the end that no pension should be granted to date prior to the date of filing the claim.

These old claims make it very difficult for this Bureau to deal promptly with the claimants and at the same time protect the interests of the Government and the honor and integrity of the pension roll.

BIENNIAL EXAMINATIONS OF PENSIONERS.

The first act which provided for biennial examinations of pensioners was passed March 3, 1819. This act was repealed July 14, 1832; but on March 3, 1859, another act was passed requiring biennial examinations.

These provisions were embodied in sections 4771, 4772, and 4773 of the Revised Statutes, as follows:

SEC. 4771. In all cases of application for the payment of pensions to invalid pensioners to the fourth day of September of an odd year, the certificate of an examining surgeon duly appointed by the Commissioner of Pensions, or of a surgeon of the Army or Navy, stating the continuance of the disability for which pension was originally granted, describing it, and the degree of such disability at the time of making the certificate, shall be required to accompany the vouchers, and a duplicate thereof shall be filed in the office of the Commissioner of Pensions; and if in a case of continued disability it shall be stated at a degree below that for which the pension was originally granted, or was last paid, the pensioner shall only be paid for the quarter then due at the rate stated in the certificate. But where the pension was originally granted for a disability in consequence of the loss of a limb or other essential portion of the body, or for other cause which can not, either in whole or in part, be removed, or when a disability is certified, by competent examining surgeons, to the satisfaction of the Commissioner of Pensions, to have become permanent in a degree equal to the whole rate of pension, the above certificate shall not be necessary to entitle the pensioner to payment.

SEC. 4772. Nothing in the preceding section shall be construed to prevent the Commissioner of Pensions from requiring a more frequent examination, if, in his judgment, it is necessary.

SEC. 4773. The biennial certificate of two unappointed civil surgeons shall not be accepted in any case, except upon satisfactory evidence that an examination by a commissioned or duly appointed surgeon is impracticable.

These three sections were repealed by the act approved June 21, 1879, which act, however, provided,

that the Commissioner of Pensions shall have the same power as heretofore to order special examinations, whenever, in his judgment the same may be necessary, and to increase or reduce the pension according to right and justice; but in no case shall a pension be withdrawn or reduced except upon notice to the pensioner and a hearing upon sworn testimony, except as to the certificate of the examining surgeon.

Very often pensions are granted for disabilities which vary in degree from time to time, and the object of these biennial examinations was to save the Government from paying excessive pensions in cases where the pensioner had partially or entirely recovered from the pensioned causes.

Since the repeal of the act which required biennial examinations, viz, June 21, 1879, there has been no way in which the varying degrees of disabilities can be determined, except when pensioners apply for increase; and in view of the fact that many new pensioners are about to be added to the rolls, young men who are likely to recover from the ailments which now entitle them to pension, I think proper legislation with a view to providing biennial examinations of these pensioners should be reenacted.

PRIOR SERVICE IN CONFEDERATE ARMY.

Section 4716 of the Revised Statutes has been amended by acts approved March 3, 1877, and August 1, 1892, to read as follows:

That the law prohibiting the payment of any money on account of pensions to any person or to the widow, children, or heirs of any deceased person who, in any manner, engaged in or aided or abetted the late rebellion against the authority of the United States, shall not be construed to apply to such persons as afterwards voluntarily enlisted in either the Navy or Army of the United States, and who, while in such service, incurred disability from a wound or injury received or disease contracted in the line of duty.

I have the honor to recommend the enactment of legislation extending the provisions of the act of August 1, 1892, to claims filed under the act of June 27, 1890, providing the enlistment of such soldier or sailor in the Army or Navy of the United States was unconditional and occurred prior to January 1, 1865.

GUARDIANS.

Frequent complaints are received by the Bureau against guardians appointed by the State courts, to the effect that the soldier pensioner, or his representatives—the widow, minors, or dependent relatives—are not receiving the pension that the Government provides, and that the guardian uses it for other purposes than for the benefit and comfort of the beneficiary. There are, all told, about 12,000 guardians to whom pension money is paid. I have found, upon investigation of complaints, that in many instances the guardians have practically no accountability, and make no reports as to their trusts, and the pension that is so generously given is often practically swallowed up in bills of expenses, costs, and fees. A considerable percentage of the wards of the guardians for whom pension is being paid are in State asylums of various kinds, and others in the United States Government Hospital for the Insane, whose wants and comforts are provided for, while the pension is being paid to a guardian and there is no one to require an accounting.

In such cases when the pension is granted the certificate is issued to the guardian, and the agency properly notified to pay to the guardian appointed by the local or State court, and the case is practically closed, so far as this Bureau is concerned.

It is found that great variance exists in the practice of States or State courts in requiring settlements or accountings by guardians.

I quote the Revised Statutes, sections 4783 and 5486, as amended, viz:

AN ACT to amend sections forty-seven hundred and eighty-three and fifty-four hundred and eighty-six of the Revised Statutes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That sections forty seven hundred and eighty-three and fifty-four hundred and eighty-six of the Revised Statutes be, and the same are hereby, so amended as to read as follows:

"Every guardian, conservator, curator, committee, tutor, or other person having charge and custody in a fiduciary capacity of the pension of his ward, who shall embezzle the same in violation of his trust, or fraudulently convert the same to his own use, shall be punished by fine not exceeding two thousand dollars or imprisonment at hard labor for a term not exceeding five years, or both, at the discretion of the court."

Approved, February 10, 1891.

I do most respectfully recommend that regulations be adopted requiring that guardians be required to submit an accounting of their trust, under forms prescribed by your Department, as often as once a year, to the respective agency paying such pension, and that the pension be withheld from such guardian until a satisfactory accounting shall be rendered, to the end that the money so paid shall be used, or accounted for, as by law provided or intended to be used for the benefit of the pensioner.

REVISION OF THE LAWS.

In my last annual report I made the following recommendation which I desire to commend to your careful consideration, viz:

Since the passage of the general law of July 14, 1862, there have been numerous laws amendatory, special and general, with the many rulings and decisions interpreting the laws, until the whole system is a most complex and wonderful network

or labyrinth of laws and legal opinions, to the end that a precedent may be cited for any action of this Bureau.

The importance of the work is such, and the demands upon the revenues of the Government so great, with a prospect of much greater in the near future, that I am of the opinion that, in order to secure reliable, intelligent, and uniform practice in the future, a commission should be appointed on the revision of the laws, rules, and regulations governing the issuance of pensions.

This should be done, especially to meet future conditions. With our present laws and established practice there can be no uniformity in pensioning. The beneficiaries are dissatisfied and there is general criticism.

A TREATISE ON BUREAU PRACTICE.

In my last annual report reference was made to a treatise on the practice, which had been prepared by this Bureau and published by the Department, for the purpose of simplifying the practice and having it harmonious throughout. It affords me pleasure to report that the settlement of claims has been greatly facilitated by this treatise, and greater uniformity in the action of the different divisions has been secured thereby.

Some complaints are received to the effect that the requirements of the Bureau, with reference to the character and the amount of testimony required to establish claims for pensions, are unnecessarily severe, and often work a hardship upon claimants. I am confident that a comparison of the present rules with regard to the competency of testimony and those in vogue during the greater portion of the time since the close of the civil war will show very liberal modifications in the requirements of the Bureau, favorable to claimants. Where a claim possesses undoubted merit and claimants are unable to comply with some of the requirements by reason of death or removal of witnesses, or when their enforcement would result in unusual delay or in a denial of pension, the Bureau will often render the necessary assistance to the claimant by special examination; or where a part of the evidence can be safely dispensed with, a waiver thereof is made by the Commissioner or one of the deputy commissioners.

Examiners are instructed to make calls only for such evidence as is necessary to establish the claim, and where the affidavits are too general in their terms, or it is clear that affiants have no personal knowledge of the facts stated in their affidavits, the examiner is directed to give a full explanation to the claimant showing why the testimony is defective, and state plainly the reason why it is not sufficient.

CAUSES OF DELAYS IN THE ADJUDICATION OF CLAIMS.

There has never been a time when this Bureau has been free from complaint on the part of claimants and others of unusual delays in the adjudication of claims, and perhaps it will not be out of place to point out some of the circumstances which give rise to such complaints.

The system of organization of the different adjudicating divisions involves a division of the pending claims into classes, which are kept in separate files. The examiners are organized in sections corresponding to the classes which embrace the different kinds of claims.

Thus, a section is organized in each division for the handling of original invalid claims, another for widows' claims, and so on. Inasmuch as preference is given to original claims, it follows that the action in this class of cases is nearer current than in claims for increase. In

some of the divisions the work on original claims is practically current; that is, claims are taken up for the process of final adjudication within a month or less after the filing of the necessary evidence.

Claims are taken up for action in the order of the receipt of the evidence.

The cause of delay is, in a large majority of cases, the failure of claimants and their attorneys to file the necessary evidence to complete their claims. In a case called to my attention a few days ago, in which a bitter complaint of delay was entered by the claimant, it was stated that he had in his possession a large number of affidavits to prove his claim, which he was ready to file as soon as he was requested to do so by this Bureau. As the claimant appears to have been fully advised of the facts necessary to be proven in the case, and had secured testimony for that purpose, there was no good reason why he should not have filed the evidence in his case without a request from this Bureau. In many cases letters of inquiry and testimony come to the Bureau without sufficient data to identify the claims to which they refer, and there is consequently delay in the application of such evidence. Failure to report for medical examination is another frequent cause of delay.

Whenever a call is made for the evidence necessary to complete a claim, the requirements are stated plainly and in detail, but it frequently happens that some of the most material points are overlooked in furnishing the proof. This renders it necessary for the examiner to send out another call for evidence, and very often this process has to be repeated many times before the case is completed. Necessarily much time is consumed and much delay results for which the Bureau is in no way responsible.

In order to properly test the value of the ex parte testimony furnished in claims, correspondence is often necessary with the affiants and other persons who are believed to possess knowledge which enables the Bureau to determine the material facts, and sometimes the witnesses fail to respond as promptly as could be desired, thus causing a delay which is not usually understood by claimants.

It is often found necessary to have witnesses interviewed and cross-examined by a special examiner, notably those who are unable to write, and who sign their affidavits by mark.

Very many of these complaints refer to cases the merits of which can not be determined except by special examination. Cases sent to the field are taken up in their regular turn, and as they are usually referred to different sections of the country, the witnesses being more or less scattered, it is not unusual that months elapse before a proper decision can be reached upon the questions involved.

I have used my best efforts to bring all the work of the Bureau up to date, and have made considerable progress in that direction, as shown by the reports of the respective divisions. It is hoped that during the present fiscal year all the work can be made practically current.

CAUSES OF REJECTION.

During the fiscal year 1899 the number of claims rejected was 107,919. As there were only 89,054 certificates issued during the year, it will be noted that the number of rejections exceeded the number of allowances.

I deem it proper to invite your attention to the causes which operated in the rejection of so many claims.

In discussing the different causes of rejection of original claims, they may be divided into three classes:

(1) Claims for which no provision is made by existing laws;

(2) Claims in which the claimant is unable to furnish the necessary proof; and

(3) Claims which are fraudulent.

The first class embraces claims of soldiers and sailors who are not suffering from disability in a degree ratable under the law, or who have not received an honorable discharge from the service; claimants under the act of June 27, 1890, who voluntarily aided or abetted the late rebellion, or who were not in the military or naval service for the period of ninety days during the war of the rebellion; claims filed by widows under the act of June 27, 1890, who were married to the soldier or sailor subsequent to the date of the passage of the act, and therefore have no title to pension thereunder, and claims of widows and dependent parents, who are in possession of means sufficient to bar them from the benefits of existing laws.

The second class embraces claims wherein the proof is insufficient, many of which have been accorded the benefit of a special examination, and in the third class are included those who have no pensionable status and who are endeavoring to secure pension by fraudulent means.

A very large percentage of rejections is made in claims for increase, for restoration, for rerating, and for arrears of pension under the act of March 6, 1896.

This is largely the result of the adjudication of claims under the provisions of Order No. 164, from October 15, 1890, to January 7, 1893, when the said order was revoked by the Department in a decision handed down in the case of Henry H. Weike; during this period pensions under the act of June 27, 1890, were granted so generously, the greater number at the maximum rate or total disability. Following this, under Order No. 225, of May 27, 1893, a large number of claims were readjudicated in 1893, 1894, and 1895, many having their pensions stopped and many others reduced. During the first-mentioned period claimants were pensioned for all disabilities incurred since their service at the same rate, up to $12 per month, as for like disabilities (or even with greater liberality) of service origin. For the first three years after the passage of the act of June 27, 1890, there were added to the roll, under this most liberal construction of the law, 313,798 invalids and 85,667 widows

A great many of these pensioners were granted a higher rate than their disabilities warranted under a proper construction of the law, and while their ability for self support by manual labor may have increased since the date of the allowance of their claims, their capacity for earning such support is not impaired in a degree warranting a higher rate under the provisions of Order No. 225, which superseded Order 164. These claims for increase must therefore be rejected on the ground that the rates of pension are fully commensurate with the degree of disability now shown.

Many claims are filed for increase under the general law where the soldier is pensioned for wounds or injuries of a permanent nature, and in which there is no change. While there is no doubt that these claimants become more and more unfitted for the performance of labor with advancing years, age is not a factor in fixing the rate of pension in a claim under the general law, and there being no change for the worse so far as the disability from pensioned causes is concerned, it necessarily follows that the claim for increase must be rejected.

A large percentage of rejections arises from claims filed under the act of March 6, 1896, for arrears of pension from date of filing the first application. When claims are adjudicated under the act of June 27, 1890, the date of commencement of pension is fixed after careful consideration of the evidence, and if a rate is warranted from the date of the first application the pension is made to commence at that date. If a ratable disability is not shown from date of first application, the commencement of pension is fixed from the date of filing the application under which a ratable disability is shown. This action results in the filing of a large number of applications asking for a prior date of commencement, and many of them must be necessarily rejected.

Many applications have been filed for restoration of rates under the act of June 27, 1890, that were reduced under the provisions of Order No. 225. When the medical examinations held under these applications and the evidence on file fail to show a disability warranting restoration to former rate of pension, the claim must be rejected.

There is another class of claims which are carried on the records of this Bureau as rejected, although, as a matter of fact, a pension has been granted to the claimants.

Since the passage of the act of June 27, 1890, a considerable percentage of claimants keep two claims pending, one under the general law, and one under the act of 1890, when they are pensioned at less than $12 per month; so that very often when a claim is allowed under one law it necessarily follows that the claim under the other law must be rejected on the ground that it confers no benefit. For example, a claim is allowed under the general law at $12 per month. There is also a claim pending under the act of 1890, filed at a later date. As the latter claim can confer no benefit upon the claimant, a formal rejection is entered as to such claim, so that it may be taken out of the pending files.

A considerable percentage of rejections of claims under the general law are claims for new disabilities that are not shown to be of service origin, the records of the War Department failing to show any evidence of their existence in service, and it is very difficult at this distance in time (thirty-four years or more) to show by evidence of comrades that these disabilities originated in the service and have continued ever since to date.

Also, a man may be pensioned for disability arising from his service and have other disability or disabilities that have come on since, possibly the latter of a serious character, but unless the pensioner's disabilities which were of service origin entitle him to a rate in excess of $12 per month, he can not receive more than that amount, and his subsequent disabilities can not be consolidated or combined with his service disabilities to make a rate in excess of $12 per month. In other words, service disabilities can be combined with subsequent disabilities to aggregate a $12 pension under act of 1890, but no subsequent disability or disabilities can be combined with a disability or disabilities of service origin to increase the rate above $12 per month.

ORDER NO. 164 AND ORDER NO. 225.

Order 164 was in force from October 15, 1890, to May 27, 1893, when it was revoked in an order following decisions of the Department, rendered January 7, 1893, in the case of Henry H. Weike (6 P. D., 193), and May 27, 1893, in the case of Charles T. Bennett (7 P. D., 1). The latter decision directed the Commissioner to have an examination made to determine what pensions have heretofore been allowed under the

second section of the act of June 27, 1890, in disregard of the terms of said act, and in conflict with the ruling of the Department made in the case under consideration.

Order No. 225 was accordingly issued, and a board of revision was organized in this Bureau, June 9, 1893, whose duties were defined as follows, viz: To draw from the admitted files, as rapidly as may be practicable, all cases allowed under section 2 of the act of June 27, 1890, and to determine whether the allowances were in accordance with law.

Under the operations of this order a large number of pensioners was dropped from the rolls, and the pensions of many others were reduced.

While Order No. 225 is still in force, the work of readjustment of pensions allowed under Order 164 was only partially done, but it is fair that I should say that the revision of claims allowed under Order No. 164 has not been done at all during my administration of the affairs of this Bureau.

I furnish herewith a copy of Order No. 164 and of the decision in the case of Henry H. Weike, under date of January 7, 1893 (6 P. D., p. 193), practically annulling Order No. 164; the syllabus of the C. T. Bennett decision by the Department (7 P. D., 1) and Order No. 225.

ORDER NO. 164.

DEPARTMENT OF THE INTERIOR, BUREAU OF PENSIONS,
Washington, D. C., October 15, 1890.

In regard to fixing rates of pensions under the act of June 27, 1890:

That all claimants under the act of June 27, 1890, showing a mental or physical disability or disabilities of a permanent character, not the result of their own vicious habits, and which incapacitate them from the performance of manual labor, rendering them unable to earn a support in such a degree as would be rated under former laws at or above $6 and less than $12, shall be rated the same as like disabilities of service origin, and that all cases showing a pensionable disability which, if of service origin, would be rated at or above $12 per month shall be rated at $12 per month.

GREEN B. RAUM, *Commissioner.*

Approved:
CYRUS BUSSEY, *Assistant Secretary.*

COPY OF DECISION OF ASSISTANT SECRETARY BUSSEY IN THE CASE OF HENRY H. WEIKE, JANUARY 7, 1893.

The basis of rates under the act of June 27, 1890, is inability to earn a support by reason of incapacity for manual labor due to disability not the result of vicious habits.

Schedule or nominal rates will not be added together to make up a rate under said act, but the rate will be based upon the combined effect of all the causes involved upon the applicant's capacity for manual labor.

I return herewith the papers in the case of Henry H. Weike, who is receiving a pension under certificate No. 478173, on account of rheumatism and resulting disease of heart.

The original application alleging rheumatism was filed April 4, 1887. In April, 1890, the claim was allowed for rheumatism and resulting disease of heart at $2 per month from April 4, 1887, and $8 from February 26, 1890.

October 26, 1890, he filed an application for increase and rerating, and February 24, 1891, he filed an application under the act of June 27, 1890, alleging disability from urinary trouble, dyspepsia, habitual constipation, and rheumatism, which rendered him partially unable to earn a support. Both claims were rejected, from which action an appeal is taken.

The reports of medical examinations and the other evidence in the case fail to show that any error has been committed in rating the disability resulting from rheumatism. The rejection of the claim for increase and rerating is, therefore, affirmed.

The report of a medical examination had since the application under the act of June 27, 1890, was filed, recommends a rating of 8/18 ($8) for rheumatism, and 4/18 ($4) for disease of urinary organs, but does not show the existence of any of the other disabilities alleged. The latter disease is not shown to be the result of vicious

habits, and the disability resulting therefrom may consequently be taken into consideration in fixing the rate of pension under said act.

Conceding that $8 is the correct rate for the disability resulting from rheumatism, the question arises, is the claimant necessarily entitled to a higher rate because another disability is shown to exist? In other words, where more than one disability is involved, should the rate which would be allowed under the old law for each disability be added to the others to determine the total rate?

The following order (No. 164) was, with the sanction of the Department, issued by you October 15, 1890:

"That all claimants under the act of June 27, 1890, showing a mental or physical disability or disabilities of a permanent character, not the result of their own vicious habits, and which incapacitate them for the performance of manual labor, rendering them unable to earn a support in such a degree as would be rated under former laws at or above $6 and less than $12, shall be rated the same as like disabilities of service origin; and that all cases showing a pensionable disability which, if of service origin, would be rated at or above $12 per month, shall be rated at $12 per month."

The foregoing order has governed the practice of your Bureau in the matter of rates under the act of June 27, 1890, since the date of its issue. It appears, however, that said order, as understood by the Department when approving it, may have been misconstrued by your Bureau so far as it has been your practice to add the separate nominal and schedule rates allowed for several disabilities in making a rate under this act. This has resulted by reason of the fact that it has been your practice under the old law to combine these rates where the total does not exceed 17/18. The question as to the correctness of that practice is not now before the Department for decision. It is deemed proper to state that the Department, in approving said Order No. 164, did not intend that small rates should be added together—as, for example, three or more rates of 2/18—in order to make a rate under the provisions of said act. A man may have two or more separate afflictions either one of which, considered singly, entitles him to a $2 rate under the old law, and yet in the aggregate they may not disable him for the performance of manual labor to a much greater degree than either of them existing alone. Or he may have one serious disability and one or more slight disabilities, the latter of which do not have any appreciable effect upon the degree of incapacity for manual labor occasioned by the former.

The basis of rates under the act of June 27, 1890, is inability to earn support by reason of incapacity for manual labor due to a permanent mental or physical disability not the result of vicious habits. In determining whether an applicant is entitled to a rate under said act for the character of disability aforementioned the only question is: Is he, from the cause or causes involved—be they one or many—disabled for the performance of manual labor to the extent represented by the fractional rate of 6/18. If so, he is entitled to the minimum rate of $6. And so on, until the maximum rate of $12 is reached.

It is directed that the views herein expressed be observed in future adjudications of claims under the act of June 27, 1890.

In the claim of Mr. Weike, now under consideration, while it is conceded that a disability from disease of urinary organs exists which alone would be ratable under the old law, if of service origin, it is not believed that this disease, combined with rheumatism, disables him for manual labor to an extent which entitles him to a higher rating than $8 per month. Rheumatism is his chief disability. There is no albumen nor sugar in the urine, and in fact but little if any objective symptoms of disease of urinary organs other than hypertrophy of the prostate gland. He is evidently able to perform considerable manual labor.

The rejection of the claim under the act of June 27, 1890, is affirmed.

SYLLABUS OF DECISION IN THE CASE OF CHARLES T. BENNETT, MADE MAY 27, 1893.

1. The basis of pension under sections 4692 and 4693, Revised Statutes, is disability by reason of wound, injury, or disease contracted while in the service and in line of duty.
2. The basis of pension under section 2, act June 27, 1890, is incapacity, due to any permanent mental or physical disability, not the result of vicious habits, to such a degree as renders claimant unable to earn a support by manual labor.
3. Disabilities incurred while in the service and in the line of duty, and incapacity for earning a support befalling a claimant for pension after his service had ceased, are placed by the pension laws on an entirely different footing.
4. Disability incurred during service and in line of duty is pensionable without regard to capacity to earn a support, and is rated under provisions of the Revised Statutes without reference to this condition.

5. Disability resulting from causes other than of service origin are pensionable only under the provisions of the second section of the act of June 27, 1890, when incapacity to labor joins with incapacity to earn a support, and the grades of rating thereunder are dependent upon these two conditions.
6. When, by Order No. 164 of the Commissioner of Pensions, October 15, 1890, it was declared that disabilities under the act of June 27, 1890, should be rated as if of service origin, the very principle which governed ratings under said act was displaced and a rule applicable to a different law was substituted.
7. Neither the Secretary of the Interior nor the Commissioner of Pensions can, by order or by practice, supersede an act of Congress. The power of the Department, so far as its orders and practice are concerned, is limited to an execution of the law; it ceases when an effort is made to supersede the law.

ORDER NO. 225.

DEPARTMENT OF THE INTERIOR, BUREAU OF PENSIONS,
Washington, D. C., June 9, 1893.

As to adjudicating and fixing rates of pensions under the act of June 27, 1890:

1. A claim for pension under the second section of the act of June 27, 1890, can only be allowed upon proof of mental or physical disability of a permanent character, not the result of the claimant's own vicious habits, incapacitating him for the performance of manual labor in such a degree as to render him unable to earn a support.

2. No specific injury or disability can, as such, have a pensionable rating under that act, nor be considered otherwise than as it affects the capacity of the claimant to perform ordinary manual labor.

3. Proof that the disability is not the result of the claimant's own vicious habits is requisite; and therefore the causes and circumstances of the origin of the disability should be shown by the evidence furnished in support of the claim for pension, so far as can be done, and by persons other than the claimant.

4. To give the claimant a pensionable status under this act the disability must be such as to incapacitate him for the performance of manual labor in such a degree as to render him unable to earn a support; yet the act recognizes differences in the degree of such pensionable disability, giving twelve dollars per month in case of the greatest, and six dollars per month in case of the lowest degree of such pensionable disability rendering the claimant unable to earn a support by manual labor. It also provides for intermediate ratings proportioned to the intermediate degrees of such pensionable disability. The proper ratings under this act will, therefore, be made in accordance with such rules for rating as the medical referee shall prescribe, subject to the approval of the Commissioner.

WM. LOCHREN, *Commissioner.*

Approved:
HOKE SMITH, *Secretary.*

TWO SYSTEMS—LAWS—GENERAL AND ACT JUNE 27, 1890, COMPARED.

INVALID PENSIONS.	INVALID PENSIONS.
Acts of July 14, 1862, and March 3, 1873.	*Act of June 27, 1890.*
(Number pensioned, 333,192.)	(Number pensioned, 420,912.)
Title to pension under the acts of July 14, 1862, and March 3, 1873, is conferred upon those who, since the 4th day of March, 1861, have been or who are hereafter disabled by reason of any wound or injury received or disease contracted while in the military or naval service of the United States and in the line of duty, and who have made or shall make due proof of the fact according to such forms and regulations as are or may be provided in pursuance of law.	Title to pension under the second section of the act of June 27, 1890, is conferred upon those persons— (1) Who served ninety days or more in the military or naval service of the United States *during the late war of the rebellion*, and who have been honorably discharged therefrom; and (2) Who are now or who may hereafter be suffering from a mental or physical disability of a permanent character, not the result of their own vicious habits, which incapacitates them for the performance of manual labor in such a degree as to render them unable to earn a support.

In addition to those who were regularly mustered into the military or naval service of the United States, provision is made under the general law for pensions to persons who rendered service as pilots upon gunboats or war vessels of the United States, acting assistant or contract surgeons, provost-marshals, deputy provost-marshals, and enrolling officers.

Pension under this act is limited to persons regularly enlisted or mustered into the military or naval service of the United States who served therein for ninety days or more *during the late war of the rebellion*, and were honorably discharged therefrom. Pilots in the naval service, contract surgeons, provost-marshals, deputy provost-marshals, and enrolling officers are excluded from the benefits of this act.

The pension for "total disability" is fixed by section 4695, Revised Statutes, the rates being graded according to rank in the service, and ranging from $8 per month (rank of private) to $30 per month (rank of lieutenant-colonel and officers of higher rank). Other and higher rates of pension are, however, provided for specific disabilities, the highest rate being $100 per month for loss of both hands.

The act of March 3, 1873 (sec. 4699, Rev. Stat.), provides that the rate of $18 per month may be proportionately divided for any degree of disability for which section 4695 makes no provision, and under this section the rates for several disabilities may be added in making a rate in excess of the "total" rate established by section 4695 where the total does not exceed $17 per month. This provision is not applicable to rates of pension for any period prior to March 3, 1873.

The rate of pension provided for those who are entirely incapacitated for performing any manual labor is $30 per month.

It will be seen that the act of June 27, 1890, provides a pension for a condition not due to the service, fixing the highest rate of pension thereunder at $12 per month and the lowest $6 per month. Under said act pension is provided only in cases where incapacity to labor joins with incapacity to earn a support, and the grades of rating are dependent on *these two conditions*.

When a claimant is disabled in a degree materially affecting his capacity to earn a support the minimum rate of $6 per month is provided, and where a claimant is wholly unable to earn a support, or nearly so, by reason of a disability of the character named in the law, the maximum rate is allowed; and for intermediate degrees of disability and capacity to earn a support a proportionate rate.

It therefore follows that where a disability is shown that would entitle a claimant to the $30 rate under the general law, he is entitled to the maximum or $12 rate under the act of June 27, 1890.

On the other hand many cases of disability, which are ratable under the general law, do not entitle a claimant to a rating under the act of June 27, 1890, *because they do not incapacitate him for the performance of manual labor in such a degree as to render him unable to earn a support, as required by the act.*

The act of August 27, 1888, grants a pension of $30 per month in cases of total deafness, and such proportion thereof in cases of partial deafness as the Secretary of the Interior may deem equitable; the amount paid to be determined by the degree of disability existing in each case.

Under the approved schedule of rates of pension under the act of August 27, 1888, total deafness of one ear is rated at $10 per month.

This disability can not be accorded a rate under the act of June 27, 1890, because incapacity to perform manual labor to a degree which produces inability to earn a support does not result from that cause.

The age of a claimant can not be regarded as a factor in fixing his rate of pension under the general law for disabilities of service origin.

The age of a claimant under the provisions of the act of June 27, 1890, is an important factor in fixing the rate of pension under this act. Under the established rule of this Bureau a claimant who has reached the age of 75 is entitled to the maximum rate for senility alone, if there are no special pensionable disabilities shown.

Under the decisions of the Department a claimant who has attained the age of 65 shall be deemed entitled to at least the minimum rate of pension, unless the evidence discloses an unusual vigor and ability for the performance of manual labor in one of that age.

Section 4716, Revised Statutes, provides that "no money on account of pension shall be paid to any person, or to the widow, children, or heirs of any deceased person, who in any manner voluntarily engaged in or aided or abetted the late rebellion against the authority of the United States."

By the act of March 3, 1877, as amended by the act of August 1, 1892, the provisions of section 4716 "shall not be construed to apply to such persons as afterwards voluntarily enlisted in either the Navy or Army of the United States, and who, while in such service, incurred disability from a wound or injury received or disease contracted in the line of duty."

If a soldier or sailor contracted a disability in the service and in line of duty he may be pensioned under the general law, notwithstanding the fact that he rendered a prior voluntary service in the Confederate army.

The provisions of section 4716, Revised Statutes, are held to apply to claims under the act of June 27, 1890.

Therefore if a soldier voluntarily served in the Confederate army and afterwards served in the Army or Navy of the United States during the war of the rebellion, he can not receive a pension under the act of June 27, 1890.

PENSION TO WIDOWS.

Under the general laws.

(Number pensioned, 107,149.)

If any person embraced within the provisions of the above-named paragraphs has died since the 4th day of March, 1861, or hereafter dies by reason of any wound or injury received or disease contracted in the service and line of duty, his widow shall be entitled to receive the same pension as the husband would have been entitled to had he been totally disabled, to commence from the death of the husband and to continue during her widowhood.

The rate of pension to a widow is governed by the rank held by her husband at the date he received the wound or injury or contracted the disease which caused his death. The lowest rate is $8 per month and the highest rate $30 per month, according to rank. The act of March 19, 1886, grants a pension of $12 per month after that date in lieu of the $8 rate to widows of privates and noncommissioned officers, provided they were married to the deceased soldier or sailor prior to the passage of the act; and also to those who may hereafter marry prior to or during the service of the soldier or sailor.

A widow who married such soldier or sailor subsequent to March 19, 1886, and subsequent to the discharge of the soldier or sailor receives only $8 per month.

PENSION TO WIDOWS.

Under the act of June 27, 1890.

(Number pensioned, 130,266.)

The third section of the act of June 27, 1890, provides that if any officer or enlisted man who served ninety days or more in the Army or Navy of the United States *during the late war of the rebellion*, and who was honorably discharged has died, or shall hereafter die, leaving a widow without other means of support than her daily labor, such widow shall, upon due proof of her husband's death, without proving his death to be the result of his army service, be placed on the pension roll from the date of the application therefor under this act, pension to continue during her widowhood.

It is, however, provided that said widow shall have married said officer or enlisted man prior to June 27, 1890, the date of the passage of the act, otherwise there is no title to pension thereunder.

The rate of pension to widows under this act is $8 per month, regardless of the rank held by the husband in the service.

Widows are also entitled to additional pension at the rate of $2 per month for each of the minor children of the soldier or sailor until such child or children attain the age of 16 years; provided that the additional pension granted to the widow on account of the child or children of the husband by a former wife shall be paid to her only for such period of her widowhood as she has been or shall be charged with the maintenance of such child or children.

The additional pension of $2 per month for each of the minor children of the soldier under the age of 16 years is paid to the widow in the same manner and under the same conditions as provided by the general law.

Section 4705, Revised Statutes, provides that the widows of colored and Indian soldiers and sailors who have died or shall hereafter die by reason of wounds or injuries received, or casualty received, or disease contracted, in the military or naval service of the United States, and in the line of duty, are entitled to receive the pension provided by the general law, without other evidence of marriage than satisfactory proof that the parties were joined in marriage by some ceremony deemed by them obligatory, or who habitually recognized each other as man and wife, and were so recognized by their neighbors, and lived together as such up to the date of enlistment, when such soldier or sailor died in the service, or, if otherwise, to date of death.

Section 4705, Revised Statutes, has no application to claims for pension under the third section of the act of June 27, 1890, as the right does not depend upon the incurrence of wounds, injuries, or disease incurred in the service, therefore in claims of widows under the act of June 27, 1890, marriages must be proven to be legal marriages according to the law of the place where the parties resided at the time of marriage, or at the time when the right to pension accrued.

It will be seen that under the general law the financial condition of a widow is not a factor in establishing her title ot pension, but it must be shown that her husband's death was due to the service.

Under the act of June 27, 1890, it must be shown that the widow is without other means of support than her daily labor, but she is not required to show that her husband's death was due to the service.

Pension to Minor Children.

Under the general law.

If an officer or enlisted man has died under such circumstances as would have entitled his widow to pension, the legitimate minors of such officer or enlisted man under the age of 16 years become entitled, provided the rights of the widow do not intervene. That is, if the officer or enlisted man left no widow, his minors become entitled to pension; or if he left a widow, when her title terminates the minors who are then under 16 years of age succeed to her rights.

Pension to minor children commences from the date of the death of the soldier or sailor if he left no widow, otherwise, from the date when the right of the widow terminated.

Pension to minors ceases when they severally attain the age of 16 years, and the rate of pension is the same as the rate for widows.

In case a minor child becomes insane, idiotic, or otherwise permanently helpless before it attains the age of 16 years, the pension shall continue during the life of said child, or during the period of such

Pension to Minor Children.

Under the act of June 27, 1890.

The third section of the act of June 27, 1890, provides pension for minor children of officers and enlisted men who served ninety days or more in the Army or Navy of the United States *during the late war of the rebellion*, and were honorably discharged, and who have died or shall hereafter die; if the rights of the widow do not intervene.

It is provided that in case of the death or remarriage of the widow, leaving a child or children of such officer or enlisted man under the age of 16 years, such pension shall be paid such child or children until the age of 16.

Pension to minor children under this act commences at date of filing the application therefor, after the death of the soldier or sailor and the death or remarriage of the widow.

The rate is $8 per month, and $2 per month additional for each minor child until such child reaches the age of 16.

Pension to minor children who become insane, idiotic, or permanently helpless is governed by the same rule as that stated under the head of "general law pensions."

disability. But a child who becomes insane or permanently helpless after he or she has completed his or her sixteenth year, is not entitled to such continuance of pension, and there is no provision of law by which a helpless or idiotic child, who was over 16 years of age at the death of the soldier or sailor, can be pensioned.

To entitle minor children "of colored and Indian soldiers and sailors" to pension, it must be proved that their parents were joined in marriage by some ceremony deemed by them obligatory or habitually recognized each other as man and wife, and were so recognized by their neighbors, and lived together as such up to the date of enlistment, when such soldier or sailor died in the service, or if otherwise, to date of death.

The children of a colored soldier or sailor, by a woman who was not living with him as his wife at the date of his enlistment or death, are not pensionable under section 4705, Revised Statutes.

PENSION TO DEPENDENT PARENTS.

Under the general law.

If a soldier or sailor died of a disability contracted in service and line of duty, and leaves neither widow nor legitimate minor child, certain relatives of such soldier or sailor, if any survive, who were dependent in whole or in part on said soldier or sailor at the time of his death, become entitled.

Under the statute granting pensions to dependent relatives, the mother is first entitled; secondly, the father; thirdly, orphan brothers and sisters under 16 years of age.

It is provided that a mother shall be assumed to have been dependent upon her son within the meaning of the law, if, at the date of his death, she had no other adequate means of support than the ordinary proceeds of her own manual labor and the contributions of said son or of any other persons not legally bound to aid in her support; and if, by actual contributions, or in any other way, the son had recognized his obligations to aid in support of his mother, or was by law bound to such support; and that a father or a minor brother or sister shall, in like manner and under like conditions, be assumed to have been dependent, except that the income which was derived or derivable from his actual or possible manual labor shall be taken into account in estimating a father's means of independent support.

If the soldier or sailor was married or marries after June 27, 1890, and dies, his children of such marriage are not entitled to pension under the provisions of this act.

Proof of dependence in a pecuniary point of view is not necessary to establish a minor's pensionable status.

As stated under the head of "Pension to widows," section 4705, Revised Statutes, has no application to claims for pension under the third section of the act of June 27, 1890.

This rule applies to claims of minor children as well as to claims of widows.

PENSION TO DEPENDENT PARENTS.

Under the act of June 27, 1890.

The first section of the act of June 27, 1890, provides that "in considering the pension claims of dependent parents the fact of the soldier's death by reason of any wound, injury, casualty, or disease which, under the conditions and limitations of existing laws, would have entitled him to an invalid pension, and the fact that the soldier left no widow or minor children having been shown, as required by law, it shall be necessary only to show by competent and sufficient evidence that such parent or parents are without other present means of support than their own manual labor or the contributions of others not legally bound for their support.

Pensions under this act commence from date of filing the application, and shall continue no longer than the existence of the dependence.

It will be seen that this section of the act permits the pensioning of those who can establish dependence at date of filing the application instead of the date of the soldier's or sailor's death, but the conditions attaching to dependence itself are not changed by the act of June 27, 1890.

Rates of pension to dependent relatives are fixed according to rank, the same as in pensions to widows, but the minimum rate is $12 per month after March 19, 1886.

The rate of pension is $12 per month, and rank in the service is not considered in claims under this act.

The benefits of the above-stated section of the act of June 27, 1890, are not confined to the parents of those who served in the war of the rebellion, but are extended to all parents where pensionable dependence has arisen on account of the death of a son who served since said war in the Army or Navy of the United States.

TWO SYSTEMS OF PENSIONING COMPARED.

Table showing corresponding ratings for same disabilities under the general law and act of June 27, 1890.

The bases of ratings under the two laws are so widely different that it is impossible to fix a parallel except in a general way.

General law.

The bases for ratings under the general law are:

(1) For minor disabilities, an anchylosed wrist or ankle	$8
(2) For incapacity to perform manual labor, equivalent to loss of hand or foot	24
(3) For incapacity to perform any manual labor	30

Act of June 27, 1890.

The basis of ratings under this act is incapacity to labor, joined with incapacity to earn a support, and the grades of rating are dependent upon these two conditions.

Minimum rate under this act	$6
Maximum rate under this act	12

COMPARISON OF RATINGS.

General law.

Second grade	$30
Third grade	24
Single hernia	$6 to 10
Double hernia	8 to 14
Deafness:	
Total both ears	30
Nearly total	27
Total of one ear and severe of other ear	25
Severe of both ears	22
Loss of one eye	17
Loss of sight of one eye	12
Anchylosis:	
Elbow	$10
Knee	10
Shoulder	12

Loss of portions of hand or foot: Rates vary according to extent of amputation, from $10 to $17.

Act of June 27, 1890.

Maximum rate	$12
Disability equivalent to loss of hand or foot	10
Single hernia	6
Double hernia	8
Deafness:	
Total both ears	12
Nearly total	10
Total of one ear and severe of other ear	8
Severe of both ears	6
Loss of one eye	6
Loss of sight of one eye	6
Anchylosis:	
Elbow	$6
Knee	6
Shoulder	6

Loss of portions of hand or foot: Rates vary according to extent of amputation, from $6 to $10.

In making the above comparisons, it may be stated that the rates indicated under the act of June 27, 1890, are the *lowest* rates allowed for the disabilities mentioned. Cases often occur where, in addition to the loss of a part of a member, there are complications which increase the inability to earn a support by manual labor warranting a higher rate than that indicated in the above table.

My experience and observation convince me that the ratings under

the act of June 27, 1890, have been and are now most generous. The law was evidently intended to aid those who had been in part or wholly disabled, from disease or disability not of service origin, from earning a living by manual labor.

The Department's interpretation of the law has been that under said act pension is provided only in cases when incapacity to labor joins with incapacity to earn a support. I am free to say that the practice has never been to inquire into the capacity of the claimant to earn a support. The prosperous have been pensioned alike, on application, with the less fortunate, plainly on showing disabilities or disease, without any reference to the claimant's wealth or capacity to earn a support.

The second section of the act of June 27, 1890, is by many understood to provide for a *dependent* pension. This is not the case; it pensions only for *disability* not necessarily of service origin. Disabilities for which pension is asked may have originated prior to the claimant's service, during his service, or since service, while engaged in the ordinary avocations of life. It matters not whether the claimant be in a condition of poverty or a millionaire; he must show by medical evidence that he has a physical or mental disability that disqualifies him in whole or in part for earning a support by manual labor.

A claimant may have a pensionable status of $10 or $12 per month for disabilities incurred in service, viz, he may be suffering from deafness, rheumatism, hernia, catarrh, or other disability. The same claimant may have since the war lost a leg or an arm, or have become stricken with paralysis or other severe disability (not of service origin), and these disabilities can not be added to or combined with his pensioned disabilities to increase his rate in excess of $12 per month. Thus the two separate and distinct systems of pensioning (both for *disability* alone), one for disability of service origin, the other for disability regardless of origin, afford a wide field for comparison and misunderstanding.

As a further illustration showing the effect of the two systems of granting pensions created by the laws, a case may be cited where a claimant becomes totally blind from causes incident to his service. The law provides a pension in this case of $72 per month. In the same village another claimant becomes totally blind from causes *not* connected with the service, and the law grants him only $12 per month. The community not being familiar with the legal rights of the two claimants can not understand why one of these men receives a higher rate of pension than the other for the same disability, and the Pension Bureau is usually held responsible. Few stop to inquire into the facts which confer title in the different cases and to ascertain the fact that these conditions are created by the law.

CIVIL PENSIONS.

My experience with the large number of employees of this Bureau (1,741 in number) forces me to the conclusion that some means should be devised whereby their long and faithful services may be recognized in a substantial manner, when they become disabled for the performance of their official duties.

The majority of the employees have been in the Government service for many years, and a great many of them served the country during the civil war. Their duties have necessarily unfitted them for the ordinary pursuits of business, and very few are able to make suitable provision for old age, when they become unfitted for official work in the

Bureau. By reason of their residence at the Capital and their devotion to the particular work assigned them they are not in a position to take up the ordinary pursuits and callings of life, when, by reason of disability or age, their services in an official capacity are no longer useful to the Bureau.

To remedy these conditions it appears to me that a system should be devised which may receive legislative sanction, by which a certain percentage of the salaries of the employees are withheld each month, thus creating a fund by means of which such employees may be retired from service, and a reasonable amount be paid them monthly from this fund for their support.

I understand that systems have been instituted in this and other cities which have worked successfully in the retirement of employees of the police and fire departments, and that similar organizations have been formed by large corporations looking to the same end, and it would appear that if a successful scheme can be operated for the relief of the persons referred to the same could be successfully maintained among the departmental employees, whose salaries are as a rule larger than those paid to employees of the police and fire departments and to employees of corporations.

I do not favor the idea that a pension to civil employees shall be paid by the Government, but I do heartily commend any plan by which a fund can be created from the salaries of the employees, to be paid, under proper rules and regulations, to those who may become entitled to relief from that source.

The public service would be the gainer, as the heads of departments would be able to retire from active service many who are physically and mentally unfitted for the duties of official life.

EX-SLAVE PENSIONS.

Numerous inquiries reach this Bureau as to the probability or possibility of the enactment of a law granting pensions to ex-slaves. This sentiment has become quite prominent and societies are being formed in many sections; lecturers are secured to explain the proposed legislation; certificates of membership resembling more or less a pension certificate are being issued, and monthly dues exacted and collected. The colored people are in this way being robbed of their hard earnings for the alleged purpose of securing funds for the final passage of the legislation that has been prepared. This industry seems to be growing and productive, and it has also been largely encouraged and stimulated by the continued introduction of bills looking to legislation for the purposes stated.

I have taken the responsibility of saying, in reply to these inquiries, that there is absolutely no prospect or possibility of any bill of this nature ever becoming a law, and that the slave was granted his pension when he was presented with his freedom.

There seems to be no law or other remedy whereby parties obtaining money in this way from these people can be prevented from carrying on their operations, excepting when they go so far as to represent themselves as agents of this Bureau.

LAW AND MEDICAL LIBRARY.

I desire to invite your attention to my recommendation in my last annual report (p. 19) for an appropriation of $500 for the purchase of

law books, and $300 for the purchase of standard modern works on medicine and surgery.

The importance of this small expenditure is quite obvious, and I renew my recommendation for this appropriation.

SEWER, LIGHT, AND VENTILATION.

Congress made an appropriation of $5,000 at its last session for an area-way about the Pension Building. Since then the plans have been changed, and a coal bin and ash vault should be included, which will add additional cost, and the whole work should be done at one and the same time.

EMPLOYEES OF THE BUREAU.

You are reminded that on June 30, 1898, the productive force of the Bureau was reduced by the discharge of 110 clerks, by reason of a reduction in the appropriation, and yet, considering the character of the work, the output last year was equal to that of the preceding year.

Also, in addition to the reduction by Congress, clerks are detailed from this Bureau to other branches of the Government service as follows, viz:

Where employed.	Number of employees.	Salaries.
Department of the Interior:		
Secretary's office	19	$18,098.79
Patent Office	1	531.51
Civil Service Commission	6	6,623.33
Geological Survey	2	2,600.00
War Department	4	978.29
Executive Department	2	3,200.00
Congress	2	2,811.15
Treasury Department	1	186.91
Total	[1] 37	35,029.98

[1] Part time.

The law provides for 1,738 employees of all grades and classes, in addition to the Commissioner and two deputy commissioners.

I am pleased to be able to report that the law which provides that preference shall be given in employment to ex Union soldiers and sailors has been strictly observed. Since April 1, 1897, there have been reinstated in the Bureau 157 and in the agencies 23 ex-Union soldiers and sailors, making 180 in all.

During the same period there have been promoted 287 ex-Union soldiers and sailors in the Bureau, and 29 in the different agencies.

It affords me pleasure to report that considerable progress or gain has been made in the adjudication of claims.

In pursuance of the policy that original claims are entitled to precedence over those in which increase is claimed, the work on original claims has been kept practically current.

The southern division adjudicates all claims arising out of service in the United States colored organizations as well as the several military organizations from the Southern States, among which were many companies and regiments of State militia, some having been mustered into the service of the United States, while many others were purely State organizations and were never mustered into the United States service.

The settlement of these claims, on account of the difficulty in obtaining reliable evidence, is attended with considerable effort and consequent delay, and the work in this division is necessarily in arrears, but an effort has been made to bring it up as nearly current as the conditions will permit.

The work of ordering medical examinations in claims for increase has been brought up so as to materially reduce the period between the date of filing the claim and the holding of the medical examination. As the increase, if allowed, commences at the date of the medical examination, it is desirable that the examinations should be ordered within a reasonable time, and I have to report that this work is well in hand.

The settlement of claims for increase, new disabilities, etc., is, however, in arrears in most of the divisions. This has resulted from the fact that much time has been devoted to the adjudication of the claims of persons who have never received any pensions, and it has been found impossible to keep the work on increase claims current and at the same time give the original claims the attention which they naturally merit.

It is believed that during the present fiscal year the arrears of work will be considerably diminished and that all the claims can be made practically current.

The work is in far better condition than at any time since I assumed charge of the Bureau, and it is believed that further progress will be attained by the system that has been instituted in the different divisions.

I am quite satisfied with the results for the past year, confident that good, intelligent work was done, considering the complications surrounding the adjudication of the many old claims of long standing the Bureau has to deal with. No new rules of evidence have been introduced, but the work has been accomplished under prescribed rules of many years' standing.

The laws are generous; the interpretation of the laws by the Department have always been to liberalize, and the administration of the laws by the Bureau officials has been, and is now, under the established practice, far more liberal than the generous laws—always giving the benefit of the doubt in favor of the soldier.

Respectfully submitted.

H. CLAY EVANS, *Commissioner.*

The SECRETARY OF THE INTERIOR.

TABLE No. 1.—*Number of pensions allowed and increased during the year, with the annual value of all pensions on the rolls.*

Year ended June 30, 1899.		Pensions allowed and increased during the year.						Dropped from the rolls.		Number of pensioners on rolls June 30, 1899.	Annual value of pensions, as shown by rolls June 30, 1899.
		Original.		Increase, reissue, and additional.		Restoration and renewal.					
		Number.	Annual value.	Number.	Annual value.	Number.	Annual value.	Number.	Annual value.		
Army, general law	Invalids	1,838	$226,276	14,569	$1,042,558	1,620	$283,678	13,704	$2,344,069	316,894	$53,325,876
	Nurses	16	2,304	1	96			18	2,592	653	96,992
	Widows, etc.	3,361	492,756	135	1,466	61	9,544	5,371	816,285	90,608	14,062,864
Navy, general law	Invalids	137	23,898	196	19,170	26	3,986	275	48,857	4,721	847,392
	Widows, etc.	99	18,409	5	673	1	120	107	20,187	2,293	452,160
Army, act June 27, 1890	Invalids	17,516	1,519,513	10,408	895,877	2,056	192,359	12,951	1,489,495	405,987	44,639,576
	Widows, etc.	11,637	1,158,929	130	8,155	85	9,238	7,380	794,309	124,127	13,211,516
Navy, act June 27, 1890	Invalids	1,009	86,956	526	21,655	60	5,195	687	77,631	14,925	1,580,220
	Widows, etc.	463	4,760	4	192			268	32,136	6,139	641,304
Army, war with Spain	Invalids	119	25,456					2	192	117	25,264
	Widows, etc.	167	30,169	1				2	288	165	29,881
Navy, war with Spain	Invalids	6	1,216							6	1,216
	Widows, etc.	11	2,400							11	2,400
War of 1812	Survivors			1	264			2	456	1	96
	Widows	5	509	3	154			414	60,262	1,998	288,440
War with Mexico	Survivors	26	2,551	153	14,849	3	460	837	92,062	9,204	1,091,452
	Widows	427	40,659	8	828	2	192	397	38,112	8,175	786,308
Indian wars	Survivors	13	1,248	8	754			376	36,096	1,656	160,166
	Widows	227	21,792					395	37,920	3,899	374,838
Total		37,077	3,659,801	32,148	2,006,691	3,914	504,772	43,186	5,890,949	991,519	131,617,961

Average annual value of each pension $132.74
Average annual value of each pension allowed under the general law 165.70
Average annual value of each pension allowed under the act of June 27, 1890 ..... 108.99
Average annual value of each pension allowed on account of the war with Spain 196.53

TABLE NO. 2.—*Number of pensioners of the various classes dropped from the rolls during the year, with the cause and the number of each class on the rolls June 30, 1899.*

Classes.	By death.	By remarriage.	Minors by legal limitation.	By failure to claim.	For other causes.	Total number of pensioners dropped from the rolls.	Total number of pensioners of all classes on the rolls June 30, 1899.
General law.							
Army and Navy—Invalids	11,222	.....	.....	303	2,454	13,979	321,555
Army and Navy—Nurses	18	.....	.....	.....	.....	18	653
Army and Navy—Widows, etc.	4,157	333	395	474	119	5,478	92,901
Total	15,397	333	395	777	2,573	19,475	415,109
Classification of widows' roll, general law:							
Widows without children	2,350	179	.....	235	91	2,855	67,570
Widows with children	95	152	.....	12	13	272	9,281
Minor children	6	.....	395	.....	3	404	1,701
Mothers	1,347	2	.....	193	4	1,546	12,003
Fathers	357	.....	.....	34	5	396	2,219
Brothers and sisters, dependent sons and daughters	2	.....	.....	.....	3	5	127
Act of June 27, 1890.							
Army and Navy—Invalids	12,655	.....	.....	622	361	13,638	420,912
Army and Navy—Widows, etc.	4,195	629	1,236	448	1,140	7,648	130,266
Total	16,850	629	1,236	1,070	1,501	21,286	551,178
Classification of widows' roll, act of June 27, 1890:							
Widows without children	2,980	379	.....	345	1,019	4,723	94,369
Widows with children	271	249	.....	33	94	647	23,276
Minor children	6	.....	1,236	.....	4	1,246	4,462
Mothers	544	1	.....	41	6	592	5,203
Fathers	377	.....	.....	28	5	410	2,337
Helpless children	17	.....	.....	1	12	30	619
War with Spain.							
Army and Navy—Invalids	1	.....	.....	.....	1	2	123
Army and Navy—Widows, etc.	2	.....	.....	.....	.....	2	176
Total	3	.....	.....	.....	1	4	299
Classification of widows' roll, war with Spain:							
Widows without children	2	.....	.....	.....	.....	2	77
Widows with children	.....	.....	.....	.....	.....	.....	83
Minor children	.....	.....	.....	.....	.....	.....	5
Mothers	.....	.....	.....	.....	.....	.....	10
Fathers	.....	.....	.....	.....	.....	.....	1
War of 1812.							
Survivors	2	.....	.....	.....	.....	2	1
Widows	373	.....	.....	40	1	414	1,998
Total	375	.....	.....	40	1	416	1,999
War with Mexico.							
Survivors	698	.....	.....	31	108	837	9,204
Widows	312	16	.....	55	14	397	8,175
Total	1,010	16	.....	86	122	1,234	17,379
Indian wars, 1832–1842.							
Survivors	354	.....	.....	22	.....	376	1,656
Widows	356	5	.....	34	.....	395	3,899
Total	710	5	.....	56	.....	771	5,555
Grand total	34,345	983	1,631	2,029	4,198	43,186	991,519

Total number of children on the rolls: General law, 15,722; act of June 27, 1890, 42,673; war with Spain, 173. Total number of children, 58,568.

TABLE NO. 3.—*Showing the appropriations for pensions and the disbursements on account thereof for the fiscal year 1899, and unexpended balances at the close of the year.*

Items of appropriation	Appropriations.				Disbursements.			Balances.		
	Amount appropriated act May 14 1898.	Amount deficiency appropriation act March 3 1899.	Repayments to the appropriation.	Total.	Amount disbursed by United States pension agents.	Amount disbursed by Treasury settlements	Total amount disbursed.	Balance remaining in the hands of United States pension agents June 30, 1899.	Balance remaining in the United States Treasury June 30, 1899.	Available balance June 30 1899
Army pensions	[illegible]		[illegible]	[illegible]	$134,574,501.74	$97,756.94	$134,672,258.68	[illegible]	[illegible]	[illegible]
Navy pensions	4,000,000		165.68	4,000,165.68	3,680,421.18	3,373.09	3,683,794.27	94,230.74	222,140.67	316,371.41
Fees of examining surgeons, pensions	700,000	250,000.00	18.00	950,018.00	715,191.26		715,191.26	184,808.74	50,018.00	234,826.74
Salaries, pension agents	72,000.00			72,000.00	72,000.00		72,000.00			
Clerk hire pension agencies	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rents, pension agencies	16,080.00			16,080.00	15,830.00		15,830.00	250.00		250.00
Fuel, pension agencies	250.00			250.00	151.36		151.36	23.64	75.00	98.64
Lights, pension agencies	500.00			500.00	381.05		381.05	43.95	75.00	118.95
Contingent expenses, pension agencies	30,000.00		115.14	30,115.14	29,864.81	143.29	29,977.10	40.85	[illegible]	766.04
Total	141,233,830.00	250,000.00	315.79	141,429,275.79	139,182,695.87	110,044.83	139,292,740.70	1,111,377.42	284,457.38	1,395,155.09

In addition to the above, there was disbursed during the fiscal year ended June 30, 1899, the following sum, chargeable to the appropriation for the fiscal year ended June 30, 1898: "Fees of examining surgeons' pensions, $292,445.50." Of the amount, $3,683,794.27, disbursed for Navy pensions, $342.275 was paid from the Navy pension fund, under act March 14, 1898.

TABLE NO. 4.—*Amount disbursed at United States pension agencies during the fiscal year ended June 30, 1899, as shown by accounts current.*

Agency.	Army pensions.									Navy pensions.	Grand total.
	Pensions.	Fees of examining surgeons, pensions.	Salaries.	Clerk hire.	Rents.	Fuel.	Lights.	Contingent expenses.	Total.		
Augusta	$2,913,922.00		$4,000.00	$8,407.78				$600.00	$2,926,929.78		$2,926,929.78
Boston	6,378,949.86		4,000.00	23,750.00				1,199.82	6,407,899.68	$831,622.52	7,239,522.20
Buffalo	6,384,711.19		4,000.00	21,271.64	$1,500			1,379.45	6,412,862.28		6,412,862.28
Chicago	9,909,462.04		4,000.00	30,414.50				1,151.24	9,945,017.78	744,763.76	10,689,781.54
Columbus	15,353,654.26		4,000.00	35,914.20				1,260.57	15,394,829.03		15,394,829.03
Concord	2,896,951.62		4,000.00	8,547.37				207.61	2,909,706.60		2,909,706.60
Des Moines	8,305,763.75		4,000.00	23,225.63				520.35	8,333,509.13		8,333,509.13
Detroit	6,729,618.53		4,000.00	19,471.22	2,400.00			860.00	6,756,289.75		6,756,289.75
Indianapolis	10,807,022.56		4,000.00	29,516.81	1,500.00		314.65	1,275.58	10,843,629.60		10,843,629.60
Knoxville	7,473,251.90		4,000.00	22,128.89				1,143.57	7,500,524.36		7,500,524.36
Louisville	4,130,388.04		4,000.00	11,577.80				692.06	4,146,657.90		4,146,657.90
Milwaukee	7,264,259.31		4,000.00	21,316.33	1,250.00			1,150.00	7,291,975.64		7,291,975.64
New York	6,180,831.15		4,000.00	25,250.88	5,000.00			1,319.69	6,216,401.72	667,843.11	6,884,244.83
Philadelphia	7,264,969.32		4,000.00	27,141.29				1,731.45	7,397,842.06	503,467.78	7,901,309.84
Pittsburg	6,702,995.73		4,000.00	22,200.00				2,258.00	6,731,453.73		6,731,453.73
San Francisco	3,340,538.03		4,000.00	10,207.49	1,300.00	40.35		675.83	3,356,821.70	164,880.26	3,521,701.96
Topeka	15,027,309.31		4,000.00	36,943.42	1,500.00			1,399.78	15,071,152.51		15,071,152.51
Washington	7,408,843.13	715,191.26	4,000.00	27,069.83	1,380.00	111.01	66.40	2,109.81	8,158,771.44	767,843.75	8,926,615.19
Total	134,573,501.73	715,191.26	72,000.00	404,354.48	15,830.00	151.36	381.05	20,864.81	135,802,274.69	3,680,421.18	139,482,695.87

In addition to the above there was disbursed during the fiscal year ended June 30, 1899, the following sum, chargeable to the appropriation for the fiscal year ended June 30, 1898: Fees of examining surgeons pensions, $292,445.50.

TABLE NO. 5.—*Statement of amount paid for pensions under the general law.*

Agency.	Army pensions.				Navy pensions.			Grand total.
	Invalids.	Nurses	Widows and others.	Total.	Invalids.	Widows and others.	Total	
Augusta	$1,565,383.21	$864.00	$420,102.69	$1,986,349.90				$1,986,349.90
Boston	2,180,076.93	7,620.00	1,050,400.20	3,238,097.13	$215,701.67	$106,299.50	$322,001.17	3,560,098.30
Buffalo	2,866,100.44	2,941.60	907,726.53	3,776,768.57				3,776,768.57
Chicago	4,534,731.48	10,158.80	1,172,587.70	5,717,477.98	190,441.97	60,243.25	250,685.22	5,968,163.20
Columbus	6,802,308.32	7,721.20	1,765,202.65	8,575,232.17				8,575,232.17
Concord	1,597,902.46	576.00	430,418.45	2,028,896.91				2,028,896.91
Des Moines	3,938,432.73	8,581.20	686,039.28	4,633,053.21				4,633,053.21
Detroit	3,406,775.42	3,168.00	661,532.65	4,071,476.07				4,071,476.07
Indianapolis	6,452,621.98	4,576.80	1,296,949.35	7,754,148.13				7,754,148.13
Knoxville	1,602,951.94	5,234.40	600,029.44	2,208,215.78				2,208,215.78
Louisville	1,475,306.91	1,296.00	506,714.58	1,983,317.49				1,983,317.49
Milwaukee	3,387,972.45	4,429.20	678,291.56	4,070,693.21				4,070,693.21
New York	1,921,106.12	4,364.40	858,865.80	2,784,336.32	122,426.75	81,321.85	203,748.60	2,988,084.92
Philadelphia	2,248,276.25	5,191.67	846,678.94	3,100,146.86	126,369.22	62,746.48	189,115.70	3,289,262.56
Pittsburg	2,318,822.64	864.00	649,298.86	2,968,985.50				2,968,985.50
San Francisco	800,145.00	7,972.80	190,754.36	998,872.16	35,325.27	8,986.07	44,311.34	1,043,183.50
Topeka	5,179,373.39	10,475.20	1,054,914.77	6,244,763.36				6,244,763.36
Washington	2,882,016.98	13,514.40	769,894.39	3,665,425.77	172,605.37	127,579.64	299,585.01	3,965,010.78
Total	55,160,304.65	99,549.67	14,546,402.20	69,806,256.52	862,270.25	447,176.79	1,309,447.04	71,115,703.56

TABLE NO. 6.—*Statement showing the amount paid for pensions on account of the war with Spain under the general law.*

Agency.	Army pensions.			Navy pensions.			Grand total.
	Invalids.	Widows and others.	Total.	Invalids.	Widows and others.	Total.	
Augusta		$249.33	$249.33				$249.33
Boston	$680.15	a3,448.33	4,128.48	$49.00	$740.27	$789.27	4,917.75
Buffalo	208.60	485.03	693.63				693.63
Chicago	119.33	224.57	343.90				343.90
Columbus	820.10	708.81	1,528.91				1,528.91
Concord		142.00	142.00				142.00
Des Moines	70.40	469.20	539.60				539.60
Detroit	185.33	891.07	1,076.40				1,076.40
Indianapolis	46.00	119.47	165.47				165.47
Knoxville	769.10	1,516.51	2,285.61				2,285.61
Louisville	398.33	105.20	503.53				503.53
Milwaukee	165.60	468.80	634.40				634.40
New York	591.47	1,232.00	1,823.47	529.10	244.00	773.10	2,596.57
Philadelphia	108.40	1,518.74	1,627.14		527.20	527.20	2,154.34
Pittsburg	38.67	579.66	618.33				618.33
San Francisco	838.37	545.73	1,384.10				1,384.10
Topeka	1,084.34	946.33	2,030.67				2,030.67
Washington	2,728.22	3,321.28	6,049.50		692.77	692.77	6,742.27
Total	8,852.41	16,972.06	25,824.47	578.10	2,204.24	2,782.34	28,606.81

a Includes $101.20 paid under the act of June 27, 1890.

TABLE NO. 7.—*Statement of amount paid for pensions under the act of June 27, 1890.*

Agency.	Army pensions.			Navy pensions.			Grand total.
	Invalids.	Widows and others.	Total.	Invalids.	Widows and others.	Total.	
Augusta	$713,697.27	$188,807.63	$902,504.90				$902,504.90
Boston	[illegible]	1,025,054.78	3,094,390.26	$352,235.25	$156,596.83	[illegible]	[illegible]
Buffalo	1,963,676.59	603,428.80	2,567,105.39				2,567,105.39
Chicago	[illegible]	995,379.62	4,023,049.76	402,710.63	91,367.91	494,078.54	[illegible]
Columbus	5,346,322.44	1,331,754.85	6,678,077.29				6,678,077.29
Concord	649,114.21	202,184.63	851,298.84				851,298.84
Des Moines	2,968,368.96	623,786.93	3,592,155.89				3,592,155.89
Detroit	[illegible]	491,264.02	2,621,248.33				[illegible]
Indianapolis	[illegible]	719,041.24	2,946,290.09				[illegible]
Knoxville	2,996,706.23	1,140,812.60	4,137,518.83				4,137,518.83
Louisville	1,452,051.35	582,442.75	2,034,494.10				2,034,494.10
Milwaukee	[illegible]	567,910.88	3,146,240.37				3,146,240.37
New York	2,093,180.06	1,229,640.91	3,322,820.97	294,315.88	169,005.53	463,321.41	3,786,142.38
Philadelphia	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Pittsburg	2,894,362.92	808,228.04	3,702,590.96				3,702,590.96
San Francisco	1,729,464.78	360,030.96	2,089,495.74	100,476.80	20,092.12	120,568.92	2,210,064.66
Topeka	6,771,685.41	1,715,736.73	8,487,422.14				8,487,422.14
Washington	2,756,480.09	794,616.63	3,551,096.72	348,332.24	119,233.73	467,565.97	4,018,662.69
Total	[illegible]	14,607,685.51	61,953,208.97	1,699,548.75	668,643.05	2,368,191.80	64,321,400.77

TABLE NO. 8.—*Statement showing amounts paid for pensions to the survivors and widows of the war of 1812 since 1871; of the war with Mexico since 1887, and of the Indian wars since 1893.*

Fiscal year.	War of 1812.			War with Mexico.			Indian wars, 1832–1842.		
	Survivors.	Widows.	Total disbursements.	Survivors.	Widows.	Total disbursements.	Survivors.	Widows.	Total disbursements.
1871 (from Feb. 14, 1871)	$2,555.05	$511.00	$3,066.05						
1872	1,977,415.84	335,993.63	2,313,409.47						
1873	2,078,606.98	689,303.59	2,767,910.57						
1874	1,588,832.95	616,016.40	2,204,849.35						
1875	1,355,599.86	533,000.21	1,888,600.07						
1876	1,089,037.18	445,772.95	1,534,810.13						
1877	934,657.82	361,548.91	1,296,206.73						
1878 (from Mar. 9, 1878)	768,918.47	294,572.05	1,063,490.52						
1879	1,014,525.66	2,192,699.54	3,207,225.20						
1880	790,710.39	2,658,058.14	3,448,768.53						
1881	621,612.80	2,381,800.95	3,003,413.75						
1882	478,274.85	2,024,207.63	2,502,482.48						
1883	357,334.81	1,882,542.41	2,239,877.22						
1884	278,888.85	1,686,302.09	1,965,190.94						
1885	207,782.80	1,518,202.39	1,725,985.19						
1886	144,389.59	1,458,896.44	1,603,286.03						
1887	105,837.01	1,765,582.86	1,871,419.87	$53,148.68	$2,458.08	$55,606.76			
1888	73,059.48	1,596,604.96	1,670,264.44	1,861,756.07	583,056.28	2,444,812.35			
1889	52,800.27	1,397,487.09	1,450,287.36	1,796,899.30	693,572.45	2,490,471.75			
1890	38,847.09	1,263,239.37	1,302,086.46	1,728,027.54	695,054.90	2,423,082.44			
1891	22,504.64	1,040,284.41	1,062,789.05	1,622,114.75	695,314.52	2,317,429.27			
1892	11,908.93	827,080.53	838,989.46	1,425,258.18	686,733.57	2,111,991.75			
1893	10,494.27	721,060.32	731,554.59	1,396,392.38	736,173.41	2,132,565.79	$158,076.26	$66,434.05	$224,510.31
1894	5,312.20	645,297.46	650,609.66	1,388,707.07	803,345.91	2,192,052.98	377,883.57	456,652.25	834,535.82
1895	3,583.27	541,923.48	545,506.75	1,433,690.86	802,032.96	2,235,723.82	308,365.24	469,161.39	777,526.63
1896	1,972.27	456,847.61	458,819.88	1,368,685.95	814,096.14	2,182,782.09	268,778.30	468,694.44	737,472.74
1897	1,440.00	388,291.95	389,731.95	1,279,188.31	818,563.78	2,097,752.09	227,580.41	442,082.76	669,663.17
1898	791.06	347,070.15	347,861.21	1,213,508.63	846,560.26	2,060,068.89	189,981.39	418,997.35	608,978.74
1899	193.33	293,097.48	293,290.81	1,107,594.63	818,067.58	1,925,662.21	165,327.01	403,871.74	569,198.75
Total	14,018,487.72	30,363,295.50	44,381,783.22	17,674,972.35	8,995,029.84	26,670,002.19	1,695,992.18	2,725,893.98	4,421,886.16

TABLE No. 9.—*Number and amount of first payments on each class of certificates made during the fiscal year ended June 30, 1899, by pension agents to each class of pensioners.*

Class.		Original.		Increase and additional.		Reissue.		Restoration and renewal.		Total.	
		Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.
Army, general law	Invalids	1,044	$425,056.50	11,997	$777,382.98	2,157	$546,355.50	1,630	$308,857.14	16,828	$2,057,652.12
	Nurses	21	3,291.60	1	8.00			2	258.07	24	3,557.67
	Widows, etc	2,715	596,783.98	18	2,964.70	408	135,103.94	78	21,320.10	3,219	756,172.72
Navy, general law	Invalids	123	11,988.94	123	6,922.96	78	10,882.40	22	6,884.20	346	36,677.60
	Widows, etc	85	12,137.81	1	.19	2	1,217.47	1	24.67	89	13,380.05
Army, act June 27, 1890	Invalids	17,042	2,761,707.23	13,157	662,182.80	1,970	173,218.08	2,143	288,689.41	34,312	3,885,797.52
	Widows, etc	11,653	2,013,214.54	24	4,612.85	125	10,251.15	77	27,087.38	11,874	2,055,165.92
Navy, act June 27, 1890	Invalids	987	165,620.77	331	10,711.00	178	13,009.72	66	7,273.00	1,562	196,614.49
	Widows, etc	454	63,162.38			4	90.00			458	63,252.38
Army, war with Spain	Invalids	81	6,676.84							81	6,676.84
	Widows, etc	128	15,564.95							128	15,564.95
Navy, war with Spain	Invalids	5	476.50							5	476.50
	Widows, etc	11	1,417.64							11	1,417.64
War of 1812	Widows	4	5,523.74	3	131.47	2	8.27			9	5,663.48
War with Mexico	Survivors	26	17,847.36	154	5,857.08	10	339.20	1	109.80	191	24,153.44
	Widows	422	66,848.83	27	3,046.76	7	398.07	2	652.27	458	70,945.93
Indian wars	Survivors	14	4,939.83	6	176.27			1	532.00	21	5,648.10
	Widows	225	50,775.21	3	349.59	1	35.60			229	51,160.40
Total		35,040	6,221,033.75	25,845	1,474,326.56	4,937	890,909.40	4,025	661,688.04	69,845	9,247,957.75

Full amount of fees paid to attorneys	$476,969.61
At the close of the year there remained unpaid 7,153 cases of all classes, on which the first payments due amounted to	853,528.86
Average value of all original payments during the year	177.54
Average value of original payments in general law cases	263.10
Average value of original payments in act June 27, 1890, cases	166.04
Average value of original payments in war with Spain cases	98.38

TABLE NO. 10.—*Classified statement of the number of pensioners on the rolls of each agency compared with the number on the rolls June 30, 1898.*

Location of agency.	General law.					Act of June 27, 1890.				War with Spain.			
	Army.			Navy.		Army.		Navy.		Army.		Navy.	
	Invalids.	Nurses.	Widows, etc.	Invalids.	Widows, etc.	Invalids.	Widows, etc.	Invalids.	Widows, etc.	Invalids.	Widows, etc.	Invalids.	Widows, etc.
Topeka	29,672	68	6,261			57,125	13,393			19	8		
Columbus	37,469	53	10,977			45,422	11,604			8	7		
Chicago	26,615	66	7,431	1,013	328	26,087	8,138	3,478	871	3	4		
Indianapolis	35,971	24	8,034			18,661	5,883			2	2		
Philadelphia	13,376	39	5,883	683	353	27,980	11,813	1,917	1,066	3	16	1	2
Des Moines	22,993	58	4,063			25,113	5,011			2	6		
Knoxville	9,313	33	3,784			25,430	8,459			10	18		
Washington	14,862	83	4,212	939	562	23,447	6,645	2,954	1,009	27	23		3
Boston	14,071	53	6,529	1,187	588	18,539	9,735	3,134	1,445	12	28	1	4
New York	11,635	32	5,351	682	422	18,234	11,395	2,606	1,583	7	11	4	2
Milwaukee	20,471	29	4,350			21,773	4,721			4	6		
Pittsburg	12,936	6	4,106			25,127	7,070			3	6		
Buffalo	17,652	20	6,004			17,417	5,545			3	8		
Detroit	18,480	14	4,166			17,563	4,028			4	8		
Louisville	8,171	9	3,078			12,321	4,463			5	2		
San Francisco	5,053	56	966	217	40	14,225	2,829	836	165	4	6		
Augusta	9,148	6	2,643			6,120	1,617			1	4		
Concord	8,946	4	2,770			5,403	1,778				2		
Total	316,834	653	90,608	4,721	2,293	405,987	124,127	14,925	6,139	117	165	6	11
Increase						6,621	4,342	382	195	117	165	6	11
Decrease	10,246	2	1,949	112	7								

TABLE NO. 10.—*Classified statement of the number of pensioners on the rolls of each agency compared with the number on the rolls June 30, 1898*—Cont'd.

Location of agency.	War of 1812.		War with Mexico.		Indian wars, 1832–1842.		Number of pensioners on the rolls June 30, 1899.	Number of pensioners on the rolls June 30, 1898.	Increase by agencies, during year 1899.	Decrease by agencies, during year 1899.
	Survivors.	Widows.	Survivors.	Widows.	Survivors.	Widows.				
Topeka		90	1,211	959	87	203	109,096	108,532	564	
Columbus		142	347	306	5	15	106,355	106,450		95
Chicago		78	570	614	65	224	75,585	76,067		482
Indianapolis		84	417	385	9	24	69,496	69,712		216
Philadelphia		75	202	276	13	18	63,716	63,442	274	
Des Moines		42	349	236	22	46	57,941	57,915	26	
Knoxville		471	2,685	2,896	1,325	3,128	57,552	58,087		535
Washington		260	610	505	16	49	56,266	56,128	138	
Boston		102	99	115	6	19	55,667	55,655	12	
New York		109	231	254	8	19	52,585	53,971		1,386
Milwaukee		26	204	132	14	33	51,763	51,881		118
Pittsburg		58	94	98	2	3	49,510	49,394	116	
Buffalo	1	158	79	74	4	6	46,971	47,079		108
Detroit		49	132	107	8	8	44,567	45,113		546
Louisville		71	436	424	13	24	29,017	29,103		86
San Francisco		15	1,472	672	51	73	26,678	25,719	959	
Augusta		98	36	43	2	9	19,727	20,070		343
Concord		70	30	19	5		19,027	19,396		369
Total	1	1,998	9,204	8,175	1,656	3,899	991,519	993,714		
Increase				32						
Decrease	2	400	808		263	168	2,195			

TABLE NO. 11.—*Statement showing disbursements for pensions, fees of examining surgeons, cost of disbursement, salaries, and other expenses of the Pension Bureau, and the number of pensioners on the rolls each fiscal year since July 1, 1865.*

Fiscal year.	Disbursements for pensions.		Fees of examining surgeons.		Cost of disbursement, maintaining pension agencies, etc.	Pension Bureau.		Number of pensioners on rolls.
	Army.	Navy.	Army.	Navy.		Salaries.	Other expenses.	
1866	$15,158,598.64	$291,951.24	Paid from Army and Navy pensions. No separate account kept.		*a* $155,000.00	$237,165.00	$15,000.00	126,722
1867	20,552,948.47	231,841.22			*a* 155,000.00	308,361.49	27,615.86	155,474
1868	22,811,183.75	290,325.61			*a* 155,000.00	366,186.20	31,834.14	169,643
1869	28,168,323.34	344,925.93			*a* 155,000.00	366,007.31	43,519.50	187,963
1870	29,043,237.00	308,251.78			216,212.86	333,660.00	51,125.00	198,686
1871	28,081,542.41	437,250.21			431,720.03	372,378.97	58,980.00	207,495
1872	29,276,921.02	475,825.79			457,379.51	436,315.71	57,357.78	232,189
1873	26,502,528.96	479,534.93			456,323.90	456,021.26	90,855.39	238,411
1874	29,603,159.24	603,619.75			447,693.17	444,052.24	75,048.72	236,241
1875	28,727,104.76	543,300.00			444,074.79	464,821.21	73,799.35	234,821
1876	27,411,309.53	524,900.00			447,702.13	468,577.80	98,798.88	232,137
1877	27,659,461.72	523,360.00	66,057.42	$767.00	455,270.05	445,262.08	67,102.78	232,104
1878	26,251,725.91	534,283.53	231,658.26	3,310.00	313,194.37	443,096.56	41,240.90	223,998
1879	33,109,339.92	555,089.00	85,543.50	995.00	203,851.24	493,255.70	54,088.70	242,755
1880	55,901,670.42	787,558.66	73,161.00	2,386.00	221,926.76	582,517.84	55,035.68	250,802
1881	49,419,905.35	1,163,500.00	113,392.00	3,345.00	222,295.00	686,565.45	46,462.19	268,830
1882	53,328,192.05	984,980.00	222,995.87	9,600.00	234,544.37	868,113.92	130,981.85	285,697
1883	59,468,610.70	958,963.11	321,966.49	19,220.00	285,620.29	1,723,285.68	241,555.83	303,658
1884	56,945,115.25	967,272.22	247,966.32	14,100.00	303,430.61	1,936,161.65	333,522.42	322,756
1885	64,222,275.34	949,661.78	475,031.13	7,150.00	275,976.55	2,122,926.54	511,492.12	345,125
1886	63,034,642.90	1,056,500.00	487,614.76	5,100.00	294,724.14	1,948,285.80	509,291.91	365,783
1887	72,464,236.69	1,288,760.39	1,089,724.92	16,600.00	248,280.42	1,968,599.66	430,195.91	406,097
1888	77,712,789.27	1,237,712.40	833,561.86	11,581.75	263,109.87	1,986,027.55	420,776.24	452,557
1889	86,996,502.15	1,846,218.43	772,272.72	15,119.00	278,902.20	1,978,119.98	422,554.50	489,725
1890	103,809,250.39	2,285,000.00	876,108.51	19,569.11	292,697.35	1,957,725.43	380,281.73	537,944
1891	114,744,750.83	2,567,939.67	1,591,293.76	49,700.00	380,360.14	2,301,721.80	377,360.74	676,160
1892	135,914,611.76	3,479,535.35	1,690,507.47	35,090.00	500,122.02	2,494,122.87	178,823.44	876,068
1893	153,045,460.94	3,861,177.00	1,614,392.80	43,235.50	519,292.95	2,460,044.50	230,768.67	966,012
1894	136,495,965.61	3,490,760.56	652,678.50	20,000.00	517,430.37	2,403,522.75	370,344.09	969,544
1895	136,156,808.35	3,650,980.43	782,631.08	25,136.25	563,449.86	2,461,890.50	504,912.52	970,524
1896	134,632,175.88	3,582,999.10	665,313.97	7,273.50	565,027.85	2,258,959.35	494,800.94	970,678
1897	136,313,914.64	3,635,802.71	678,395.44	(*b*)	572,439.41	2,262,597.70	474,350.52	976,014
1898	140,924,348.71	3,727,531.09	894,249.08	(*b*)	536,629.84	2,254,181.40	429,031.14	993,714
1899	134,671,258.68	3,683,794.27	715,191.26	(*b*)	522,496.49	2,151,578.85	465,805.63	991,519
Total	2,338,559,870.58	51,351,104.16	15,181,708.12	309,278.11	12,092,178.63	44,442,110.75	7,795,115.67	.....

a Approximate.

b Now included in Army.

The disbursement of $465,805.63 for "other expenses" of Pension Bureau, includes $78,638.10 for stationery and printing, binding and engraving, repairs of Pension building, and "contingent expenses." The statement for years prior to 1899 does not include these items.

TABLE No. 12.—*Original pension claims filed and allowed each year since July, 1861.*

Fiscal year ended June 30—	General law.				Act of June 27, 1890.				War of 1812.				War with Mexico.				Total number of applications filed.	Total number of claims allowed.
	Army (including Marine Corps).		Navy (including Revolutionary Navy).		Applications filed.		Claims allowed.		Applications filed.		Claims allowed.		Applications filed.		Claims allowed.			
	Invalids.	Widows, etc.	Invalids.	Widows, etc.	Survivors.	Widows, etc.	Invalids.	Widows, etc.	Survivors.	Widows.	Survivors.	Widows.	Survivors.	Widows.	Survivors.	Widows.		
1862	1,362	1,000	60	65	413	49											2,487	462
1863	26,389	22,377	230	285	4,121	3,763											49,382	7,884
1864	20,263	32,627	385	324	17,041	22,446											53,599	39,487
1865	27,299	44,464	455	466	15,212	24,959											72,684	40,171
1866	35,799	28,732	350	375	22,883	27,294											65,256	50,177
1867	15,905	20,265	250	333	16,589	19,893											36,753	36,482
1868	7,292	13,099	170	207	9,460	19,461											20,768	28,921
1869	11,005	14,406	200	245	7,292	15,904											26,066	23,196
1870	12,991	11,470	260	296	5,721	12,500											24,851	18,221
1871	8,847	8,985	190	142	7,964	8,309			20,741	5,074	198	31					43,969	16,562
1872	8,857	6,755	249	178	6,408	7,244			6,546	3,815	17,504	3,117					26,391	34,333
1873	8,728	6,427	248	120	6,551	4,673			1,481	1,229	3,186	2,242					18,603	16,052
1874	9,502	5,666	228	151	5,937	3,152			737	713	563	819					16,734	10,402
1875	11,926	5,294	310	178	5,760	4,746			425	571	240	416					18,704	11,152
1876	17,030	5,264	344	130	5,360	4,376			319	436	73	168					23,523	9,977
1877	16,732	5,269	271	97	7,282	5,861			198	348	57	126					22,715	11,326
1878	18,812	6,661	309	161	7,444	5,550			2,786	15,897	817	181					44,587	13,962
1879	36,845	9,767	509	215	7,242	3,379			811	8,891	2,548	18,177					57,118	31,346
1880	110,673	25,592	1,201	550	10,176	4,455			295	2,976	284	4,630					141,466	14,545
1881	18,455	10,527	515	225	21,394	3,920			109	1,285	115	1,965					31,116	27,394
1882	29,004	10,349	472	211	22,946	3,959			85	818	26	695					40,939	27,664
1883	35,049	11,878	777	251	32,014	5,303			61	770	23	822					48,776	38,162
1884	28,962	11,289	671	244	27,444	6,266			52	567	21	388					41,785	34,192
1885	27,959	11,557	725	277	27,580	7,745			27	373	18	426					40,918	45,767
1886	35,202	13,238	892	265	31,937	8,649			24	304	5	305					49,895	40,857
1887	36,484	15,759	896	368	35,283	11,217			17	343	8	241	14,735	3,983	7,502	903	72,465	55,194
1888	47,505	18,444	1,251	427	35,843	10,816			23	223	2	251	5,045	2,808	9,048	4,292	75,726	60,252
1889	52,152	23,597	1,342	579	36,830	11,924			14	183	8	181	2,032	1,351	1,772	1,206	81,229	51,921
1890	71,570	28,365	2,162	788	50,395	14,658			166	16	4	108	1,009	968	791	678	105,044	66,637
1891	20,519	17,521	1,404	590	43,381	11,944	243,650	78,270	88,611	13,776	11	119	4	79	706	875	336	385	363,716	156,486
1892	17,432	15,765	742	404	17,876	7,287	131,484	31,282	102,806	34,974	11	71	2	46	395	759	416	550	198,345	224,047
1893	9,213	12,000	654	358	10,292	7,295	65,002	20,944	62,291	56,917		49	2	16	428	794	295	440	119,361	121,630
1894	6,053	8,551	600	247	6,129	4,225	6,643	15,329	8,810	16,026	3	38		26	211	772	174	702	40,148	39,085
1895	4,280	7,326	370	246	5,415	3,627	8,471	14,598	17,440	11,002	1	28	1	16	152	636	96	520	37,060	39,185
1896	1,862	6,101	420	264	3,864	3,912	9,294	14,338	18,989	12,372		12		8	110	618	64	522	33,749	40,374
1897	2,378	6,630	558	267	3,726	4,612	13,700	14,896	23,848	16,951		15		8	121	610	48	466	39,847	50,101
1898	2,217	7,016	667	315	3,741	4,339	12,097	14,081	28,776	14,971		11	1	7	107	573	46	502	37,524	52,648
1899	1,444	6,173	392	268	1,975	3,460	7,513	14,495	18,525	12,160		5		3	63	560	26	427	48,765	37,077
Total	853,588	516,173	21,991	10,955	584,831	328,721	497,884	218,213	430,186	169,089	34,943	45,241	25,713	35,479	25,114	15,307	20,577	11,593	2,271,705	1,616,391

Beginning with the year 1893 the total number of claims filed and the total number of claims allowed included army nurses, survivors, and widows of Indian wars. The applications and allowances for 1899 include those filed and allowed on account of the war with Spain, in addition to the above classes, as follows: Army nurses, filed 38, allowed 16; survivors of Indian wars, filed 28, allowed 13; widows, Indian wars, filed 226, allowed 227; invalids, war with Spain, Army, filed 14,501, allowed 119; invalids, war with Spain, Navy, filed 508, allowed 6; widows, etc., war with Spain, Army, filed 2,485, allowed 167; widows, etc., war with Spain, Navy, filed 66, allowed 11.

TABLE No. 13.—*Statement showing the number of pensioners in each State and Territory of the United States and in each foreign country on the rolls June 30, 1899, and the amount paid for pensions during the fiscal year 1899 in each State and Territory and each foreign country.*

	Number.	Amount.
UNITED STATES.		
Alabama	3,692	$490,405.91
Alaska	85	10,744.02
Arizona	651	91,087.06
Arkansas	10,472	1,399,748.33
California	17,566	2,389,857.57
Colorado	7,438	1,010,732.68
Connecticut	12,058	1,353,738.21
Delaware	2,743	401,615.10
District of Columbia	8,679	1,476,917.84
Florida	3,021	422,569.93
Georgia	3,674	509,802.46
Idaho	1,350	181,775.20
Illinois	70,476	9,856,499.14
Indiana	67,095	10,443,951.26
Indian Territory	2,812	385,303.21
Iowa	37,955	5,156,942.62
Kansas	41,791	6,203,897.29
Kentucky	28,927	4,119,108.31
Louisiana	5,246	779,123.30
Maine	20,532	2,990,623.94
Maryland	12,939	1,694,441.76
Massachusetts	38,754	5,420,782.58
Michigan	45,170	6,835,328.09
Minnesota	16,554	2,372,243.45
Mississippi	4,095	556,084.08
Missouri	53,876	7,166,091.93
Montana	1,461	198,166.99
Nebraska	17,611	2,757,364.92
Nevada	266	34,523.75
New Hampshire	9,042	1,296,122.55
New Jersey	20,824	2,494,626.12
New Mexico	1,559	228,775.97
New York	87,527	12,003,854.75
North Carolina	3,971	521,206.95
North Dakota	1,762	219,935.94
Ohio	105,627	15,456,006.60
Oklahoma	6,861	956,513.57
Oregon	5,031	686,119.53
Pennsylvania	104,681	12,470,795.11
Rhode Island	4,404	496,559.26
South Carolina	1,627	236,181.14
South Dakota	4,814	610,706.38
Tennessee	18,327	2,375,608.16
Texas	7,955	1,047,403.72
Utah	796	188,778.27
Vermont	9,480	1,491,150.46
Virginia	8,820	1,309,294.79
Washington	5,765	773,127.48
West Virginia	13,067	1,999,772.88
Wisconsin	28,005	4,009,543.41
Wyoming	279	39,058.94
Total in States and Territories	987,213	137,620,613.21
FOREIGN COUNTRIES.		
Algiers	1	72.00
Argentine Republic	6	498.00
Australia	35	5,089.27
Austria-Hungary	30	4,362.50
Azores Islands	4	318.00
Bahamas	2	240.00
Belgium	16	3,492.07
Bermuda	6	912.00
Bolivia	1	
Brazil	4	$216.00
British Guiana	1	72.00
Bulgaria	1	180.00
Canada	2,139	310,797.43
Chile	9	840.00
China	16	3,064.50
Comoro Islands	1	120.00
Costa Rica	4	480.00
Cuba	22	1,734.13
Cypress	2	168.00
Danish West Indies	2	168.00
Denmark	25	5,592.00
Dutch West Indies	3	198.00
Ecuador	3	471.00
England	321	46,524.80
Egypt	1	72.00
France	69	10,031.93
Germany	605	89,960.95
Greece	5	840.00
Guatemala	5	855.00
Hawaii	37	5,975.27
Honduras	4	536.00
India	4	335.67
Ireland	415	60,336.87
Isle of Man	2	276.00
Italy	32	4,652.80
Japan	10	2,058.00
Korea	1	360.00
Liberia	9	1,105.33
Madeira	6	792.00
Malta	2	288.00
Mauritius	1	96.00
Mexico	105	15,265.95
Netherlands	9	1,596.00
New Zealand	7	906.00
Nicaragua	2	180.00
Norway	37	9,794.53
Paraguay	1	24.00
Peru	7	901.80
Philippines	1	48.00
Puerto Rico	9	576.00
Portugal	1	72.00
Russia	6	921.50
San Salvador	1	96.00
Scotland	86	13,004.40
Seychelles Islands	2	324.00
Siam	2	204.00
South African Republic	3	576.00
Spain	6	1,042.50
St. Helena	1	144.00
Sweden	50	7,269.50
Switzerland	71	10,322.87
Tahiti	2	246.00
Turkey	5	756.00
United States of Colombia	3	186.00
Uruguay	3	1,128.53
Wales	12	1,338.00
West Indies	13	2,204.60
Total	4,306	633,309.70

SUMMARY.

	Pensioners.	Payments.
Pensioners residing in States and Territories and payments to them	987,213	$137,620,613.21
Pensioners residing in foreign countries and payments to them	4,306	633,309.70
Total	991,519	138,253,922.91
Payments by Treasury Department (Treasury settlements)		101,130.04
Total payments on account of pensions		138,355,052.95

TABLE No. 14.—*Statement showing, by classes, the different monthly rates paid to pensioners and the number at each rate on the rolls June 30, 1899.*

Rate.	General law.						Rate.	General law.					
	Invalids.			Widows, etc.				Invalids.			Widows, etc.		
	Army.	Navy.	Total.	Army.	Navy.	Total.		Army.	Navy.	Total.	Army.	Navy	Total.
$2.00	9	2	11				$23.00	2	9	11			
4.00	4	1	5				23.25	3		3			
5.00		2	2				23.50		7	7			
6.00	62,451	966	63,417				24.00	21 705	265	21,970	12		12
6.25	19	3	22				24.50	1	2	3			
6.37½	3		3				24.75	1		1			
6.75	1		1				25.00	2,500	77	2,577	726	145	871
7.00	58		58				25.25	1		1			
7.33½	1		1				25.50		1	1			
7.50	305	11	316				25.75		2	2			
7.75	7		7				26.00		4	4			
8.00	48,382	705	49,087	1,263	31	1,294	26.25	3		3			
8.12½	1		1				26.50		6	6			
8.25	11		11				26.75	1	1	2			
8.50	425		425	1		1	27.00	891	24	915			
8.62½	1		1				27.50	8	5	13			
8.75	4		4				27.75		1	1			
9.00	338		338				28.00		2	2			
9.25	8		8				28.25		1	1			
9.50	11	6	17				28.50		3	3			
9.75	5	1	6				28.75	1		1			
10.00	28,545	465	29,010	3	3	6	29.00		6	6			
10.20	1		1				30.00	15,248	250	15,498	668	209	877
10.25	11	1	12				30.75		1	1			
10.50	6	7	13				31.00		3	3			
10.62½	1		1				31.25	24		24			
10.75	1	3	4				32.00		1	1	1		1
11.00	57	5	62				32.50		4	4			
11.25	184	7	191				32.75		1	1			
11.33½	1		1				33.00	1	2	3			
11.50	15	3	18				33.50		2	2			
11.75	12	3	15				34.00		1	1			
12.00	46,050	533	46,583	81,050	1,584	82,634	34.50		2	2			
12.25	13		13				35.00	9	2	11	3	2	5
12.50	101	20	121				35.50		2	2			
12.75	305	1	306				36.00	2,651	42	2,693			
13.00	419	5	424				36.50		4	4			
13.25	8	3	11				36.75		1	1			
13.33½	4		4				37.00		3	3			
13.50	21	1	22				37.50		4	4	1		1
13.75	10	1	11				38.50		1	1			
14.00	21,630	209	21,859	5		5	40.00	63	1	64	15	5	20
14.25	16	1	17				40.25		1	1			
14.50	5	6	11				41.00		3				
14.75	6		6				42.00		3	3	1		1
15.00	2,150	88	2,238	1,457	112	1,569	42.50		1	1			
15.25	3		3				44.00		1	1	1		1
15.50	6	1	7				45.50		1	1			
16.00	13,360	132	13,492		1	1	44.00		1	1			
16.25	7	1	8				45.00	2,194	18	2,212	2		2
16.50	15	5	20				46.00		1	1			
16.75	16		16				46.50		1	1			
17.00	44,393	336	44,699	2,535	7	2,542	48.00	1		1			
17.25	3	1	4				49.00	2		2			
17.50	14	22	36				50.00	1,046	23	1,069	97	51	148
17.75	3		3				53.00	1		1			
18.00	907	22	929	65	1	66	55.00	1		1			
18.25	2	4	6				57.00	1		1			
18.50	11	8	19				58.00		2	2			
18.75	89		89				60.00	10		10			
19.00	11	6	17				63.50		1	1			
19.25	6		6				72.00	2,267	70	2,337		1	1
19.50		7	7				75.00	3		3	8		8
20.00	1,636	128	1,764	2,671	149	2,820	82.50		1	1			
20.50	1	4	5				100.00	21	2	23	17	2	19
21.00	2	9	11				166.66⅔				4		4
21.25	2	7	9				208.33⅓				1		1
21.50	1	6	7				416.66⅔				2		2
22.00	2,731	80	2,811										
22.25	1		1				Total.	316,834	4,721	321,555	90,608	2,293	92,901
22.50	68	7	75										

In addition to the rates specified in the class "widows, etc.," $2 per month is paid on account of each of 15,722 children. See Table No. 2, classification of widows' general law roll titles "widows with children," and "minor children."

The Army invalid cases reported in this table at less than $6 per month are cases in which the pensions were allowed for periods prior to March 2, 1895, but were not paid before the close of the fiscal year.

The Navy invalid cases at less than $6 per month are similar to the Army invalid cases, or are rates fixed by the honorable the Secretary of the Navy, under sections 4756 and 4757, R. S. (act of March 2, 1867), on account of either ten or twenty years' service in the United States Navy.

TABLE No. 14a.—*Statement showing, by classes, the different monthly rates paid to pensioners, and the number at each rate on the rolls June 30, 1899.*

Act of June 27, 1890.

Rate.	Invalids.			Widows, etc.		
	Army.	Navy.	Total.	Army.	Navy.	Total.
$6.00	101,330	4,457	105,787			
7.00	4		4			
8.00	123,451	4,692	128,143	116,374	5,993	122,367
10.00	25,423	1,117	26,540	2	2	4
11.50		1	1			
12.00	155,779	4,627	160,406	7,733	144	7,877
12.50		1	1			
13.00		1	1			
14.00						
15.00				2		2
17.00		5	5	2		2
17.75				6		6
18.00		1	1			
19.00		1	1			
19.75		1	1			
20.00				6		6
20.50		2	2			
21.25		1	1			
21.50		1	1			
22.00		3	3			
22.75		1	1			
23.50		1	1			
24.50		3	3			
25.00				2		2
27.00		2	2			
28.00		2	2			
28.50		1	1			
29.00		1	1			
41.00		1	1			
52.50		1	1			
Total	405,987	14,925	420,912	124,127	6,139	130,266

In addition to the rates specified in the class "Widows," etc., $2 per month is paid on account of each of 42,673 children. (See Table No. 2, classification of widows' roll, act June 27, 1890, titles "Widows with children," "Minor children," and "Helpless children.")

The navy invalid cases reported in this table at rates greater than $12 per month are those allowed jointly under the act June 27, 1890, and on account of either ten or twenty years' service in the Navy, under sections 4756 and 4757, Revised Statutes. (Act March 2, 1867.)

The rates in the cases of army and navy widows, etc., in excess of $8 per month are those of dependent relatives ($12) and permanently helpless children, formerly pensioned under the general law as minor children.

TABLE No. 14b.—*Statement showing, by classes, the different monthly rates paid on account of war of 1812, war with Mexico, Indian wars 1832–1842, war with Spain, and to nurses employed during the war of the rebellion.*

Rate.	War of 1812.			War with Mexico.			Indian wars, 1832–1842.			War with Spain.						
										Army.			Navy.			
	Survivors.	Widows.	Total.	Survivors.	Widows.	Total.	Survivors.	Widows.	Total.	Invalids.	Widows, etc.	Total.	Invalids.	Widows, etc.	Total.	Army nurses.
$6.00										20		21	2		2	
7.50										1		1				
8.00	1	2	3	5,027	8,154	13,181	1,645	3,896	5,541	21	1	22				1
10.00																
12.00	1,986	1,987	4,121	11	4,132		3	2	5	11	123	134	1	7	8	629
14.00										1		1				
15.00				3	2	5		1	1	1	1	2				
16.00		2	2	2		2										1
17.00										16	10	26	1		1	
18.00		1	1	2		2										
20.00		4	4	29	2	31	8		8		29	29				6
24.00				4		4				1		1	1		1	1
25.00		2	2	8	1	9				1	5	6		2	2	15
30.00				6	5	11				18	5	23		2	2	
36.00										1		1	1		1	
45.00										2		2				
50.00				1		1										
72.00				1		1				3		3				
Total	1	1,998	1,999	9,204	8,175	17,379	1,656	3,899	5,555	117	165	282	6	11	17	653

Rates in excess of $12 per month in cases of widows of war of 1812, survivors war with Mexico, and in excess of $8 per month in cases of widows, war with Mexico, and survivors and widows Indian wars, relate to cases in which the rates were fixed by special acts of Congress. Rates other than $12 per month in the cases of nurses were fixed by special acts of Congress.

In addition to the rates specified in the class "widows, etc.," war with Spain, $2 per month is paid on account of each of 173 children. (See Table No. 2, classification of widows' roll, war with Spain, titles "widows with children" and "minor children.")

TABLE No. 15.—*Names of surviving widows and daughters of Revolutionary soldiers on the pension rolls June 30, 1899, with their ages and places of residence.*

Name.	Age.	Name of soldier.	Service.	Town.	State.
Barrett, Hannah Newell.[1]	99	Harrod, Noah	Massachusetts	Boston	Massachusetts.
Chadwick, Susannah[1]	84	Chadwick, Elihu	New Jersey	Emporium	Pennsylvania.
Damon, Esther S	85	Damon, Noah	Massachusetts	Plymouth Union	Vermont.
Hurlburt, Sarah C.[1]	81	Weeks, Elijah	do	Little Marsh	Pennsylvania.
Jones, Nancy	85	Darling, James	North Carolina	Jonesboro	Tennessee.
Mayo, Rebecca	86	Mayo, Stephen	Virginia	Newbern	Virginia.
Sandford, Eliza[1]		Sandford, William	United States	Bloomfield	New Jersey.
Slaughter, Ann M.[1]	89	Slaughter, Philip	Virginia	Mitchell Station	Virginia.
Snead, Mary	83	Snead, Bowdoin	do	Parksley	Do.
Thompson, Rhoda Augusta.[1]	78	Thompson, Thaddeus.	New York	Woodbury	Connecticut.
Tuller, Augusta[1]		Way, Isaac	Connecticut	Bridgeport	Do.

[1] Daughter, pensioned by special act.

Hiram Cronk, who served with the troops from New York, is the only surviving pensioned soldier of the war of 1812. He is 99 years of age, and resides at Northwestern, New York.

Daniel F. Bakeman, the last survivor of the war of the Revolution, was born in Schoharie County, N. Y., September 28, 1759, died in Freedom, Cattaraugus County, N. Y., April 5, 1869, aged 109 years, 6 months, and 8 days.

TABLE NO. 16.—*Report of pension certificates issued in the fiscal year ended June 30, 1899.*

General law.

	Originals.														
	Army invalids.	Army widows.	Navy invalids.	Navy widows.	Army invalids, war with Spain.	Army widows, war with Spain.	Navy invalids, war with Spain.	Navy widows, war with Spain.	Total originals under general law.	Increases.	Reissues and supplementals.	Restorations and renewals.	Duplicates.	Accrueds.	Total under general law.
1898.															
July	166	287	15	6	....	....	....	....	474	694	177	143	60	446	1,994
August	149	290	13	5	....	....	....	....	457	724	150	113	85	439	1,968
September	129	273	4	5	....	....	....	....	411	634	156	124	123	383	1,831
October	170	287	8	9	....	....	....	....	474	845	179	92	153	341	2,084
November	118	219	15	5	1	....	....	....	358	837	124	117	178	408	2,022
December	140	258	7	7	....	2	....	1	415	952	115	124	141	455	2,202
1899.															
January	172	284	13	8	4	11	....	2	494	976	180	174	146	455	2,425
February	130	251	7	13	2	12	1	1	417	981	144	127	157	350	2,176
March	182	311	8	14	5	24	1	....	545	1,533	196	143	118	502	3,037
April	155	275	9	7	19	15	1	3	484	1,446	211	194	155	473	2,963
May	147	270	17	11	33	32	....	1	511	1,312	143	165	104	489	2,724
June	180	353	21	9	55	71	3	3	695	2,025	174	192	131	423	3,640
Total	1,838	3,358	137	99	119	167	6	11	5,735	12,959	1,949	1,708	1,551	5,164	29,066

Other laws.

	Originals.										Increases.				Restorations, reissues, and supplementals.									
	War of 1812.		Indian wars.		Old wars.		Mexican war.		Act Aug. 5, 1892 (nurses).	Total originals under other laws.	War of 1812 (widows).	Indian wars (survivors).	Old wars (invalids).	Mexican war (survivors).	Mexican war (widows).	Army nurses.	War of 1812 (survivors).	War of 1812 (widows).	Indian wars (survivors).	Mexican war (survivors).	Mexican war (widows).	Duplicates.	Accrueds.	Total under other laws.
	Survivors.	Widows.	Survivors.	Widows.	Invalids.	Widows.	Survivors.	Widows.																
1898.																								
July	....	....	....	9	....	1	3	50	4	67	1	1	....	20	....	....	....	1	....	1	2	7	49	149
August	....	1	1	28	....	....	3	44	....	77	....	1	....	5	....	....	....	....	....	1	....	3	60	147
September	....	....	....	17	....	....	2	41	2	62	....	....	....	26	....	....	....	....	....	1	....	10	51	150
October	....	1	2	20	....	1	3	30	2	59	....	....	1	14	....	....	....	....	....	1	....	14	31	120
November	....	1	1	21	....	....	2	21	1	47	....	....	....	5	....	....	....	....	....	....	....	11	35	98
December	....	....	....	27	....	....	2	39	....	68	....	....	....	7	....	....	....	....	....	2	....	5	58	140
1899.																								
January	....	....	2	12	....	....	....	35	2	51	....	....	....	15	....	....	....	....	1	1	3	13	40	124
February	....	....	3	7	....	....	1	19	....	30	....	....	....	5	....	....	1	....	....	....	....	12	24	72
March	....	1	3	36	....	....	4	42	2	88	....	3	....	21	4	1	....	1	....	2	2	6	60	188
April	....	1	....	15	....	....	2	41	1	60	....	1	....	13	....	....	....	....	....	....	....	14	44	132
May	....	....	1	22	....	1	2	38	....	64	....	1	....	6	....	....	....	....	....	1	....	14	61	147
June	....	....	....	13	....	....	2	27	2	44	....	....	....	8	....	....	....	....	....	1	....	5	34	92
Total	....	5	13	227	....	3	26	427	16	717	1	7	1	145	4	1	1	2	1	11	7	114	547	1,559

TABLE No. 16.—*Report of pension certificates issued in the fiscal year ended June 30, 1899*—Continued.

	Act of June 27, 1890.													
	Originals.													
	Army invalids.	Army widows.	Navy invalids.	Navy widows.	Total originals under act of June 27, 1890.	Additionals and supplementals.	Increases.	Reissues.	Restorations and renewals.	Duplicates.	Accrueds.	Total under act of June 27, 1890.	Total originals under all laws.	Grand total.
1898.														
July	1,415	911	62	30	2,418	181	539	118	147	112	514	4,029	2,959	6,172
August	1,278	937	77	37	2,329	215	538	145	155	127	453	3,962	2,863	6,077
September	1,366	841	103	28	2,338	227	612	150	161	155	432	4,075	2,811	6,056
October	1,817	1,086	93	43	3,039	350	775	191	211	244	430	5,210	3,372	7,414
November	1,192	924	86	33	2,235	251	605	176	132	262	476	4,137	2,640	6,257
December	1,419	925	103	24	2,471	269	765	176	159	147	560	4,547	2,954	6,859
1899.														
January	1,790	1,078	71	39	2,978	353	1,040	228	242	210	550	5,601	3,523	8,150
February	993	756	56	25	1,830	286	812	171	151	256	417	3,923	2,277	6,171
March	1,420	1,046	93	80	2,589	345	956	211	198	177	542	5,018	3,222	8,243
April	1,267	961	92	53	2,373	321	1,283	227	193	235	582	5,214	2,917	8,309
May	1,229	991	79	75	2,374	338	1,283	254	207	165	612	5,233	2,949	8,204
June	2,330	1,181	94	46	3,651	379	2,171	283	245	169	482	7,380	4,380	11,112
Total	17,516	11,637	1,009	463	30,625	3,515	11,379	2,439	2,391	2,220	6,209	58,429	37,077	89,364

TABLE NO. 17.—*Report of the mail division for the fiscal year ended June 30, 1899.*

Received.	July.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	June.	Total.
Applications:													
Invalid, original, Spanish war			215	257	1,186	1,711	1,938	1,535	2,027	1,909	2,056	1,980	14,814
Invalid, original, general law	313	367	325	361	305	405	372	310	356	302	340	325	4,081
Invalid, original, act June 27, 1890	2,705	2,899	2,514	2,513	2,472	2,385	2,076	2,203	2,946	2,523	2,419	2,288	30,534
Widows, original, Spanish war			324	358	302	301	258	156	187	156	188	158	2,388
Widows, original, general law	747	745	719	697	692	742	781	753	980	791	791	776	9,214
Widows, original, act June 27, 1890	1,381	1,424	1,393	1,419	1,350	1,364	1,705	1,409	1,961	1,761	1,840	1,566	18,573
Act March 3, 1899										206	356	365	927
War of 1812: Original, 1; widows, 8	2		1							2	2	2	9
Revolutionary war: widows, 1						1							1
Bounty land: Original, 46; widows, 34	4	6	5	6	11	9	7	6	6	7	8	5	80
Navy, original, Spanish war, 512; widows, 61			89	57	62	48	64	52	69	57	43	32	573
Navy, original, 266; widows, 155	54	32	31	25	37	33	32	26	42	28	36	45	421
Mexican service, original, 111; widows, 443	55	37	37	41	38	55	59	32	48	51	42	39	554
Mexican service, increase, act January 5, 1893	21	26	32	35	27	27	42	24	49	34	47	43	407
Indian wars, original, 41; widows, 217	18	22	22	24	14	21	17	21	22	35	21	21	258
Spanish war (nurses)											1		1
Act August 2, 1892 (nurses)	3	1	2	2	4	1	6	1	4	6	3	1	34
Increase, Spanish war										1			1
Increase, general law	2,242	2,664	2,276	2,465	2,451	2,793	3,270	2,552	3,590	3,461	3,401	3,322	34,487
Increase, act June 27, 1890	1,983	2,413	2,164	2,301	2,620	2,725	3,053	2,540	3,541	3,280	3,315	3,174	33,109
Widows, accrued	547	578	537	555	517	552	697	552	895	792	838	713	7,773
Arrears	253	272	165	246	327	263	279	221	309	198	192	192	2,917
Reimbursement	186	225	149	69	123	57	62	72	90	79	79	68	1,259
Restoration, Spanish war												2	2
Restoration, general law	107	119	69	133	102	85	125	107	150	150	152	158	1,457
Restoration, act June 27, 1890	75	100	74	90	80	75	90	81	89	83	81	89	1,007
Total	10,696	11,930	11,143	11,654	12,720	13,653	15,533	12,653	17,361	15,912	16,242	15,384	164,881
Total number applications, act June 27, 1890	6,144	6,836	6,145	6,323	6,522	6,549	7,524	6,233	8,537	7,647	7,646	7,117	83,223
Communications from the Departments	1,838	1,874	1,414	1,912	1,951	1,484	1,830	1,437	1,982	1,963	2,122	2,021	21,828
Pieces of additional evidence	82,541	83,871	77,337	79,656	72,145	78,443	83,457	64,071	93,892	92,798	102,982	92,769	994,962
Fee agreements	1,582	1,507	1,764	2,060	2,152	2,763	3,025	2,224	3,304	2,960	3,268	2,990	29,599
Applications for transfers	62	56	76	229	104	62	77	94	151	89	82	81	1,163
Applications for new certificates	499	518	664	474	377	359	324	273	431	340	305	311	4,875
Applications for permits	34	39	30	21	21	5	33	79	117	42	31	13	465
Reports from Adjutant-General	8,203	8,267	8,817	10,853	10,152	10,568	9,924	10,544	13,991	12,325	11,200	8,839	123,683
Letters of inquiry, office letters	30,639	27,517	23,552	27,029	29,916	34,603	34,704	28,758	38,050	32,713	34,026	27,021	368,528
Letters, miscellaneous	49,677	49,629	50,215	45,507	31,741	29,923	36,685	37,909	41,993	38,426	37,362	34,891	483,958
Army and Navy survivors' division cards	2,861	3,866	4,748	4,899	4,632	4,445	3,296	3,205	2,082	2,257	4,710	4,859	45,860
Pension certificates returned by pension agents	3,109	2,476	3,602	1,402	4,984	2,159	3,895	2,576	3,202	4,931	3,710	5,096	41,142
Surgeons' certificates	20,864	17,072	15,181	16,455	18,367	19,078	16,368	14,428	19,797	19,621	15,903	13,840	236,974
Orders for medical examination returned	16,327	14,193	11,644	12,986	15,602	15,037	13,160	11,677	15,514	14,499	11,181	10,948	162,768
Accounts from examining surgeons	8,228	8,072	8,067	8,721	8,389	8,526	8,304	7,416	9,194	8,085	8,365	7,974	99,341

TABLE No. 17.—*Report of the mail division for the fiscal year ended June 30, 1899*—Continued.

Received.	July.	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May.	June.	Total.
Daily reports from special examiners	13,284	11,525	10,479	12,927	11,985	13,953	12,026	10,194	9,751	9,457	10,293	9,241	135,115
Dead letters returned by Post Office Department	4,451	3,950	3,349	4,364	4,795	9,951	7,379	4,774	4,122	3,784	4,888	3,722	59,529
Reports and cases from special examiners	3,442	3,552	3,532	3,713	3,673	3,759	5,942	2,551	2,881	2,599	2,743	2,553	42,940
Credibility inquiries returned	4,264	4,148	3,621	4,207	4,467	4,820	4,823	4,166	5,632	5,403	5,655	4,493	55,699
Congressional communications	11,345	10,895	10,051	11,357	8,458	17,219	17,589	15,404	11,266	7,949	9,162	8,181	138,846
Letters referred to chiefs of divisions	16,045	17,676	14,463	13,638	16,543	29,490	31,020	26,535	33,137	30,399	14,845	17,503	261,294
Letters referred to special desk, Commissioner's room	183	207	195	160	109	139	117	148	246	237	252	217	2,219
Letters referred to the Departments	270	210	152	164	179	226	202	176	212	242	196	168	2,397
Letters returned to writer for data to identify case	1,821	1,839	1,603	1,823	1,413	1,189	1,952	987	2,095	1,563	1,462	2,026	19,773
Letters briefed for record division	4,270	4,149	5,539	4,030	4,185	4,104	4,989	3,597	5,170	4,609	4,319	5,061	54,022
Total	285,809	279,108	260,095	259,587	256,340	292,305	301,121	253,223	318,212	297,291	289,062	264,818	3,356,971
Total letters received	97,142	93,714	81,654	93,641	89,383	135,493	98,532	88,544	98,130	93,986	96,088	86,469	1,151,657
OUTGOING MAIL.													
Commissioner's reports													
Foreign letters, postage prepaid	50	57	74	76	112	92	138	77	132	109	108	112	1,137
Copies of pension laws, 1,197 packages, 944	125	142	91	81	66	97	115	92	132	4	.....	7	944
Blank receipt cards to attorneys: Number of cards, 156,708; packages, 831	36	43	40	38	39	51	57	40	68	61	62	296	831
Blank applications, 12,233, packages, 9,117	885	1,204	852	517	640	639	705	485	999	711	668	814	9,117
Congressional call slips: Number, 33,200; packages, 117	6	9	7	12	4	15	8	11	15	10	13	7	117
Letters	160,726	143,015	142,879	173,361	153,026	177,693	175,192	151,052	188,632	167,098	164,456	157,170	1,954,283
Cards	15,980	17,701	16,230	17,067	12,007	11,475	11,899	9,975	14,344	14,507	14,988	14,017	170,130
Calls on Adjutant-General	7,924	7,849	7,314	9,876	9,455	9,372	9,538	10,916	13,444	11,758	10,662	7,907	115,101
Total	185,728	170,011	167,487	200,971	175,343	199,434	197,652	171,748	217,766	194,258	190,987	180,330	2,251,660
Total number pieces handled	482,234	461,049	458,725	472,212	444,403	505,392	514,306	437,621	556,339	507,156	496,241	460,532	5,773,512
Postage stamps received in mail	276	315	257	296	260	289	261	184	325	304	341	352	3,451
Money received in mail	$365 50	$1,523 80	$791 05	$342 00	$1,690.16	$930.75	$549.97	$643 53	$2,165 73	$340 40	$1,124.32	$1,415.39	$11 882.60

REPORT OF THE COMMISSIONER OF RAILROADS.

DEPARTMENT OF THE INTERIOR,
OFFICE OF COMMISSIONER OF RAILROADS,
Washington, D. C., November 1, 1899.

SIR: In compliance with the provisions of the act of Congress creating this Bureau, approved June 19, 1878 (20 Stat., 169, sec. 3), I have the honor to submit the following report for the year ended June 30, 1899, on the physical and financial condition of the property and affairs of the several railroad companies which have received subsidies from the United States, and which have submitted such reports as have been called for under the law.

The phenomenal increase of railroad traffic last year over all former years has continued in an increasing ratio during the fiscal year ended June 30, 1899, and has been limited only by lack of cars to carry the product, although the companies have bent every energy to bring up the supply to equal the demand.

The large increase of net earnings and expenses for 1899 over 1898 is a complete reason for the advance of wages and largely increased labor rolls; all the industries of our country seem to be worked to the limit of even their increased capacities, yet the demand largely exceeds their power to supply. This is prosperity. The physical conditions of our land-grant and bond-aided roads improve in fully equal ratio with their improved financial betterment.

During the ten months of this calendar year 2,700 miles of new track have been laid in the United States; more would have been built, but it was impossible to secure the labor or the rails and track supplies.

Owing to the reduction in the appropriation for traveling expenses of this Bureau, it has not been possible for me, or those acting under me, to inspect the physical condition of the various lines of railroad coming under the jurisdiction of the Bureau. However, during the months of July and August I personally inspected the properties of the Chicago and Northwestern Railway Company, the Northern Pacific Railway Company, the Southern Pacific Railroad Company of California, the Central Pacific Railroad Company, and several other subsidized roads. Substantial improvements have been made in the main lines, heavy steel rails have taken the place of iron rails, wooden bridges have been replaced by iron and steel, and the ballasting has been much improved.

All railway companies should make reports to this office at the end of the fiscal year of their increase of mileage during the year and of mileage discontinued, in order that these reports may be compiled and laid on the desks of the Senators and Representatives at their meeting in December of each year.

GOVERNMENT LINE TO THE PACIFIC COAST.

We have every reason to believe that we are about to enter in the near future into new trade relations with our new possessions and through them, thus promising a continued and growing prosperity for our people for many years to come. Accordingly I beg leave to renew the suggestions of my last report, urging the air-line railway from

Kansas City to San Diego, Cal. Such route should be on the shortest line between the cities of Boston, New York, Philadelphia, and Baltimore to the Pacific coast, where, on the parallel of the Sandwich Islands and the Philippines, it would find the shortest route to these possessions and to their commercial and military relations. Similar routes should be opened between the cities of Chicago and San Francisco, Chicago and Seattle, and Galveston and San Diego, to draw a great part of the world's commerce over our wilderness possessions and transfer it to the heart of the universe. The nation's manifest destiny to become one of the greatest commercial powers of the earth, strengthening and increasing our merchant marine with the spread of commerce, calls for generous and prompt recognition and encouragement. All of these lines would probably not cost more than the three or four hundred millions that will be needed for the construction and equipment of the isthmian canal. They would give us healthful latitudes that are not to be found on the Isthmus, keep our money at home, furnish rapid transit for all kinds of trade, and command a large portion of the vast commerce of the world.

The increasing traffic over the transcontinental routes warrants the assumption that there will be an abundance of traffic for all routes, while the moderate rates of the Government system will hold all to reasonable charges, thus protecting the people in the transit of their travel and traffic. The system extended by steamers to our new possessions will add life and spirit to all lines of commerce and labor until employment will be at hand for all who prefer it to idleness.

These possessions, with those of the West Indies, are grand gifts of Providence to be improved and developed in pursuance of His great designs. Woe must be the end of a people who reject and contemn the munificence of a generous God.

The increase of surplus assets over liabilities for 1899 over 1898, for the twenty-six land-grant and bond-aided roads, is $45,230,089.28.

Attention is invited to the following statement, showing the increase of the net earnings of the different railroad companies for the last two fiscal years:

Road.	1898 over 1897.	1899 over 1898.
Union Pacific	$1,395,017.08	$2,076,775.16
Central Pacific	1,566,134.97	*162,268.05
Central Branch Union Pacific	57,123.44	*105,358.20
Sioux City and Pacific	72,748.85	22,720 94
Atchison, Topeka and Santa Fe	2,263,847.77	1,372,637.49
Santa Fe Pacific		291,884.30
Chicago and Northwestern	989,262.14	1,310,991.07
Chicago, Burlington and Quincy	1,785,073.19	513,142.79
Chicago, Milwaukee and St. Paul	1,078,868.16	1,359,698.60
Chicago, Rock Island and Pacific	1,418,792.18	39,186.59
Chicago, St. Paul, Minneapolis and Omaha	33,930.60	811,403.96
Dubuque and Sioux City	216,556.20	153,579.90
Hannibal and St. Joseph	40,497.67	*47,207.69
Choctaw and Memphis	58,891.84	10,630.34
Missouri, Kansas and Texas	641,214.53	49,665.37
Missouri Pacific	587,854.94	*281,993.09
Northern Pacific	6,382,751.71	1,047,540.78
Oregon and California	477,907.99	*19,618.42
St. Joseph and Grand Island		*60,224.36
St. Louis, Iron Mountain and Southern	914,387.46	*248,813.03
St. Louis and San Francisco	320,044.17	12,893.19
St. Paul and Duluth	65,577.83	135,835.69
Southern Pacific	2,582,204.26	*1,094,219.12
Texas and Pacific	426,440.75	232,278.87
Wisconsin Central	139,492.06	174,277.68

* Decrease.

Attention is also invited to the following statement, showing the increase of earnings and expenses for 1899 over 1898:

Road.	Increase of— Earnings.	Expenses.
Union Pacific	$2,427,604.08	$350,048.92
Central Pacific	647,697.70	809,965.75
Central Branch Union Pacific	*127,906.87	*22,548.67
Sioux City and Pacific	21,332.68	*1,388.26
Atchison, Topeka and Santa Fe	601,698.38	*770,939.11
Santa Fe Pacific	452,572.09	160,687.79
Chicago and Northwestern	2,734,567.45	1,423,576.38
Chicago, Burlington and Quincy	610,317.19	97,174.40
Chicago, Milwaukee and St. Paul	4,120,968.81	2,761,270.21
Chicago, Rock Island and Pacific	1,119,331.23	1,080,114.61
Chicago, St. Paul, Minneapolis and Omaha	1,478,633.17	667,229.21
Dubuque and Sioux City	311,278.07	157,698.17
Hannibal and St. Joseph	59,442.96	106,650.65
Choctaw and Memphis	19,950.07	9,719.73
Missouri, Kansas and Texas	*116,902.70	*166,568.07
Missouri Pacific	*39,863.22	242,129.87
Northern Pacific	2,367,955.44	1,321,414.66
Oregon and California	134,484.74	154,103.16
St. Joseph and Grand Island	28,561.00	88,785.36
St. Louis, Iron Mountain and Southern	307,408.90	556,221.93
St. Louis and San Francisco	340,194.36	327,301.17
St. Paul and Duluth	153,694.48	17,858.79
Southern Pacific	*449,089.66	645,129.46
Texas and Pacific	165,762.49	*66,516.38
Wisconsin Central	139,540.03	*34,737.65

*Decrease.

BOND-AIDED ROADS.

UNION PACIFIC RAILROAD COMPANY.

The pecuniary interests of the Government in the Union Pacific Railroad terminated on November 1, 1897, when its main line was sold to the purchasing trustees of the Union Pacific reorganization committee, under a decree of the United States court for the district of Nebraska. The bids of the trustees, which were accepted, and the sale confirmed on November 6, 1897, covered the entire indebtedness to the United States to November 1, 1897, including the $13,645,250 in bonds at par, then held by the Secretary of the Treasury for the Union Pacific sinking fund. The amount due the Government consisted of the following items:

Principal of debt	$27,236,512.00	
Balance of interest paid by United States	30,830,181.51	
Interest accrued and not yet paid (four months)	381,530.24	
Total debt		$58,448,223.75
Credit:		
Cash in sinking fund	4,537,921.39	
Bonds in sinking fund, at par	13,645,250.00	
Interest due November 1, 1897, on bonds in sinking fund	11,446.87	
Total		18,194,618.26
Balance due		40,253,605.49

This balance was required to be paid in four equal installments within thirty, forty, fifty, and sixty days, respectively, after confirmation of sale, all of which payments have been made. The amounts actually

realized by the United States from the said sales and from the provisions in the decree are as follows:

Amount paid for railroad, franchises, and property	$40,253,605.49
For securities in sinking fund	13,645,250.00
Cash in sinking fund applied	4,537,921.39
Interest collected November 1, 1897, on bonds in sinking fund	11,446.87
Total amount realized	58,448,223.75

A second foreclosure suit instituted by the United States against the Union Pacific Rail*way* Company and others, for the foreclosure of the mortgages on the bond-aided portion of the Kansas Pacific, was prosecuted to a final decree, and this road was sold on the 16th day of February, 1898, to Louis Fitzgerald and Alvin W. Krech, as purchasing trustees, for the sum of $6,303,000, which amount has been duly paid into the Treasury of the United States. The purchasing trustees duly transferred and assigned their bid, and all their rights as bidders and purchasers of said railroad, franchises, and property, to the Union Pacific Rail*road* Company.

In the decrees for the sale of the Union division and the Kansas division it is stipulated that they are sold subject to the following provision:

"Saving and excepting the right of the United States Government to have the preference at all times in the use, at fair and reasonable rates of compensation, not to exceed the amounts paid by private parties for the same kind of service, of the said telegraph line and railroad for the transmission of dispatches over said telegraph line and the transportation of mails, troops and munitions of war, supplies, and public stores upon said railroad for the Government whenever required by any department thereof."

The entire indebtedness of the Kansas Pacific Railroad Company to the United States was $12,891,900.19. There remained, after deducting $6,303,000, the amount realized from the sale, a balance of $6,588,900.19 still due the United States. Proceedings were instituted last year against the receivers of the Union Pacific Railway Company, a claim being filed on behalf of the United States on account of the above deficiency against certain funds remaining in their hands. The matter has since been brought to a conclusion with the satisfactory result that the United States procured a decree directing the receivers to pay on account of this deficiency, out of moneys in their hands, the sum of $821,897.70, which sum has recently been paid into the Treasury of the United States and is to be credited against the deficiency above mentioned.

The Union Pacific Rail*road* Company was incorporated June 23, 1897, and has become the successor to the lines of the Union Pacific Rail*way* Company. The entire main line was opened to public business April 15, 1898.

By the acts of 1862 and 1864 lands were granted by the United States to the companies forming the present corporation as follows:

	Acres.
Union Pacific	12,000,000
Kansas Pacific	6,000,000
Denver Pacific Railway and Telegraph	1,400,000
Total	19,400,000

The following points are the land-grant termini: Union Pacific, Bridge Junction, Omaha, Nebr., and Union Depot, Ogden, Utah; Kansas Pacific, Kansas City, Mo., and a point on the railroad between Monument and Gopher stations and Eighteenth street, Denver, Colo.; Denver Pacific, Denver, Colo., and Cheyenne, Wyo.

The records of the General Land Office show that during the fiscal year there were patented to this company 8,279.85 acres. The number of acres patented to June 30, 1899, as shown by the books of the General Land Office, is as follows:

	Acres.	Acres.
Union Pacific:		
In Colorado	507,072.63	
In Nebraska	4,782,753.51	
In Wyoming	1,361,107.86	
In Utah	346,984.34	
		6,997,918.34
Kansas Pacific:		
In Kansas	2,942,234.21	
In Colorado	192,018.38	
		3,134,252.59
Denver Pacific, in Colorado		453,267.06
Total		10,585,437.99

The report of the company shows that to June 30, 1899, they had acquired in the reorganization, by purchase, unsold lands, including lands not yet patented, amounting to 4,061,154.02 acres, and by cancellation of contracts 86,701.61 acres. Of this there had been disposed of for cash on time contracts 206,307.58 acres.

The total cash receipts from all sales from the date when the lands were acquired amounted to $460,583, and there were outstanding on account of time sales $455,329.81. The average price per acre now asked for land is 75 cents.

At the close of the fiscal year the total number of miles operated was 2,848.38. The track is laid with steel rails of various weights, from 52 to 90 pounds per yard. There are, however, 130.55 miles laid with iron rails, from 50 to 58 pounds per yard. The cross-ties are of oak, fir, pine, and cedar, and average 2,952 to the mile. Their average price at present is 41 cents. The track is fenced for 1,450 miles. The ballast consists of 22.65 miles of stone, 315.35 miles of gravel, 136.90 miles of cinder, 23.03 miles of burnt clay, 18.20 miles of crushed slag, and 2,339.29 miles of natural soil. The bridges aggregate in length 163,830 feet.

The assessed valuation of roadway, bridges, track, buildings, rolling stock, etc., for taxation, averages $8,247 per mile, or a total of $23,492,001.

The express business is transacted by the Pacific Express Company, the railway company receiving 50 per cent of the gross earnings.

The 5 miles of track from Ogden, Utah, to the western terminus of the road are leased to the Central Pacific Railroad Company, under a contract dated February 10, 1888, for a consideration of $20,000 per annum.

The following statements show the operations of the company for the fiscal year and the company's general balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$8,307,563.64	$2,680,622.49	$626,941.15	
Freight	14,148,630.64	12,650,045.15	1,498,585.49	
Mail	1,318,855.54	1,167,203.93	151,651.61	
Express	292,189.77	252,043.22	40,146.55	
Miscellaneous	744,401.45	634,102.17	110,299.28	
Total	19,811,641.04	17,384,016.96	2,427,624.08	
EXPENSES.				
Maintenance of way and structure	2,186,759.55	1,943,724.96	243,034.59	
Maintenance of equipment	2,145,793.52	2,131,358.90	14,434.62	
Conducting transportation	5,883,081.84	5,383,115.86	499,915.98	
General expenses and taxes	1,196,582.89	1,603,119.16		$406,536.27
Total	11,412,167.80	11,061,318.88	350,848.92	
Net earnings	8,399,473.24	6,322,698.08	2,076,775.16	
Miles operated	2,848.38	1,849.29	999.09	
Earnings per mile	$6,955.40	$9,400.37		$2,944.97
Expenses per mile	4,006.54	5,981.38		1,974.84
Net earnings per mile	2,948.86	3,418.99		470.13
Percentage of expenses to earnings	57.60	63.64		6.04

Revenue and expenditures.

REVENUE.		
Earnings	$19,811,641.04	
Dividends on stocks of other companies	386,442.50	
Interest on company bonds	230,000.00	
Interest on bonds of other companies	524,096.67	
Profits on miscellaneous investments	795,159.00	
Interest on miscellaneous investments	36,000.00	
Discount and interest	42,196.47	
Total		$21,825,535.68
EXPENDITURES.		
Operating expenses and taxes	$11,412,167.80	
Interest on first-mortgage bonds	3,830,000.00	
Dividends	2,625,000.00	
Total		17,867,167.80
Surplus		3,958,367.88

General balance sheet.

ASSETS.		
Cost of road and fixtures	$215,323,941.49	
Cost of equipment	8,311,959.58	
Land contracts, land cash, etc	405,780.49	
Fuel, material, and stores on hand	1,305,966.82	
Cash on hand	2,877,589.98	
Company's stocks and bonds	6,522,000.00	
Miscellaneous investments	32,560,543.97	
Accounts receivable	1,518,898.00	
Due from other companies	240,486.41	
Due from United States, unsettled accounts	636,082.86	
Improvement and equipment fund	1,844.02	
Total		$269,705,093.62

General balance sheet—Continued.

LIABILITIES.

First-mortgage bonds	$96,500,000.00	
Interest on same due and accrued	1,821,620.00	
Dividends unpaid	1,503,769.50	
Accounts payable	941,436.95	
Pay rolls and vouchers	1,397,133.30	
Land-income account	405,780.49	
Capital stock	162,505,300.00	
Total		$265,075,040.24
Surplus		4,630,053.38

CENTRAL PACIFIC RAILROAD COMPANY.

This company was originally chartered June 28, 1861, as the Central Pacific Railroad of California. On June 23, 1870, it was consolidated with the Western Pacific Railroad Company under the name of the Central Pacific Railroad Company. By another consolidation, on August 22, 1870, with the California and Oregon Railroad (organized January 16, 1868), the San Francisco, Oakland and Alameda Railroad (organized October 15, 1868), and the San Joaquin Valley Railroad (chartered February 5, 1868), the present company was formed. The road of this company is now operated by the Southern Pacific Company under a lease for ninety years from January 1, 1894, by the terms of which the operating company pays from the earnings all the expenses of operation, fixed and other charges, including sinking fund and United States requirements, and $10,000 yearly for organization expenses, the Central Pacific to receive net earnings up to 6 per cent of the stock, and all excess to be equally divided between the companies.

Under the acts of July 1, 1862 (12 Stat., 489), and July 2, 1864 (13 Stat., 356), thirty-year 6 per cent bonds were issued by the United States to aid in the construction of the Central Pacific, amounting to $25,885,120, and of the Western Pacific, amounting to $1,970,560, making a total of $27,855,680, which were secured by second mortgage on the properties, the company's first mortgage being a prior lien to that of the United States.

As the company defaulted in the payment of these bonds upon their maturity, and also of the interest then due, a commission, consisting of the Secretaries of the Treasury and the Interior and the Attorney-General, was appointed by Congress to settle this indebtedness. This commission reported the following plan, which was adopted and is being carried out:

REPORT OF THE COMMISSIONERS APPOINTED TO SETTLE THE INDEBTEDNESS TO THE GOVERNMENT GROWING OUT OF THE ISSUE OF BONDS IN AID OF THE CONSTRUCTION OF THE CENTRAL PACIFIC AND WESTERN PACIFIC RAILROADS.

WASHINGTON, D. C., *February 15, 1899.*

To the House of Representatives:

The undersigned commissioners, appointed by the deficiency appropriation act approved July 7, 1898, to settle the indebtedness to the Government growing out of the issue of bonds in aid of the construction of the Central Pacific and Western Pacific railroads, would respectfully report that they have concluded a settlement of the said indebtedness with the Central Pacific Railroad Company, the owner of the said railroads. A copy of the agreement of settlement is herewith transmitted.

The settlement is made as of the 1st day of February, 1899, at which date the amount

due to the United States for principal and interest upon its subsidy liens upon the Central Pacific and Western Pacific railroads amounted to the sum of $58,812,715.48, that being the full amount necessary to reimburse the United States for the moneys paid for interest or otherwise in aid of the construction of said railroads.

Said indebtedness is, by the agreement of settlement, funded at the amount aforesaid into twenty promissory notes, dated February 1, 1899, payable, respectively, on or before the expiration of each successive six months for ten years, each note being for the sum of $2,940,635.78, which is one-twentieth of the total amount due. Said notes bear interest at the rate of 3 per cent per annum, payable semiannually, and have a condition attached thereto to the effect that if default be made in any payment of either principal or interest of any of said notes, or any part thereof, then all of said notes then outstanding, principal and interest, shall immediately become due and payable, notwithstanding any other stipulation of the agreement of settlement.

It is further provided that the payment of the principal and interest of said notes shall be secured by $58,820,000 of face value first refunding mortgage 4 per cent gold bonds to be hereafter issued by the Central Pacific Railroad Company, or its successor having title to the railroads now owned by said company and specified in said agreement, such bonds to be part of an issue of not exceeding $100,000,000 in all.

Said bonds are to be secured by a mortgage upon all railroads, equipments, and terminals now owned by said Central Pacific Railroad Company, which mortgage shall be the first lien upon such property, or shall be secured by the deposit as collateral security therefor of certain percentages of the now outstanding bonds upon said property, or the different divisional parts thereof. The form of such mortgage is subject to the agreement of the parties to said agreement of settlement, and has been approved by the Attorney-General.

The agreement further provides that Speyer & Co., who are a party thereto, shall, within one month after the delivery to the United States of the settlement notes, accept from the Secretary of the Treasury the four earliest maturing notes, and pay to the United States the face value thereof, with accrued interest thereon to the date of payment, without recourse further than that Speyer & Co. shall, until the delivery of the refunding bonds as collateral, be entitled to share pro rata with the United States in the lien and all proceeds of the lien in favor of the United States to secure said indebtedness.

The said agreement was submitted in writing to the President and approved by him on the 15th day of February, and the said promissory notes have been duly delivered to the Treasurer of the United States.

Other provisions and particulars of said agreement will appear by a perusal thereof, to which reference is respectfully made.

The execution of the agreement was duly authorized by resolution of the board of directors of the Central Pacific Railroad Company, and approved by the formal action and consent of a large majority of the stockholders.

The commissioners have not found it necessary to expend any part of the sum of $20,000 appropriated for the expenses of the commission.

LYMAN J. GAGE,
Secretary of the Treasury.
CORNELIUS N. BLISS,
Secretary of the Interior.
JOHN W. GRIGGS,
Attorney-General.

Agreement made and entered into the first day of February, 1899, by and between the United States of America, acting by Honorable Lyman J. Gage, Secretary of the Treasury, Honorable Cornelius N. Bliss, Secretary of the Interior, and Honorable John W. Griggs, Attorney-General, appointed by act of Congress approved July 7, 1898, a commission with full power to settle the indebtedness to the United States growing out of the issue of bonds in aid of the construction of the Central Pacific and Western Pacific bond-aided railroads, of the first part; the Central Pacific Railroad Company, a corporation created, organized, and existing under the laws of the State of California and of the United States of America, of the second part, and Messrs. Speyer & Company, bankers, of the city of New York, of the third part.

Whereas the Central Pacific Railroad Company, as now existing, was formed by the successive consolidations hereinafter mentioned, that is to say:

(*a*) Consolidation of the Central Pacific Railroad Company of California and the Western Pacific Railroad Company into a corporation named the Central Pacific Railroad Company, under articles of association and consolidation dated June 22, 1870.

(*b*) Consolidation of the last-mentioned Central Pacific Railroad Company, the California and Oregon Railroad Company, the San Francisco, Oakland and Alameda Railroad Company, and the San Joaquin Valley Railroad Company into a corporation named the Central Pacific Railroad Company, under articles of association and consolidation dated August 20, 1870.

And whereas the said Central Pacific Railroad Company, party of the second part hereto, is the owner of the following lines of railroad, with their appurtenances, which are known as and called the "bond-aided lines," viz:

A. The line of railroad (about 737 $\frac{56}{100}$ miles in length), from a point about five miles west of Ogden to Sacramento, to aid in the construction of which bonds were from time to time issued by the United States to the Central Pacific Railroad Company of California to the amount in the aggregate of twenty-five million eight hundred and eighty-five thousand one hundred and twenty dollars ($25,885,120) under and in pursuance of the provisions of the act of Congress of the United States entitled "An act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military, and other purposes," approved July 1, 1862, the act to amend the last-mentioned act approved July 2, 1864, and the act to amend the above-mentioned acts approved March 3, 1865.

B. The line of railroad (about 123 $\frac{14}{100}$ miles in length) from Sacramento to San José, to aid in the construction of which bonds were from time to time issued by the United States to the Western Pacific Railroad Company to the amount in the aggregate of one million nine hundred and seventy thousand five hundred and sixty dollars ($1,970,560) under and in pursuance of the provisions of the same acts of Congress under which bonds were issued to the Central Pacific Railroad Company of California, as above stated.

And whereas the said Central Pacific Railroad Company is also the owner of the following lines of railroad in the State of California, with their appurtenances, which are known as and called the "nonbond-aided lines," viz:

C. The line of railroad (about 24 $\frac{41}{100}$ miles in length) from Oakland to Niles.

D. The line of railroad (about 146 $\frac{70}{100}$ miles in length) from Lathrop to Goshen.

E. The line of railroad (about 296 $\frac{50}{100}$ miles in length) from Roseville to the Oregon boundary.

And whereas the said "bond-aided lines" of railroad are covered by the following mortgages and liens, viz:

First. The bond-aided line from Sacramento to the eastern boundary of California by the first mortgage of the Central Pacific Railroad Company of California to D. O. Mills and William E. Barron, trustees, dated July 25, 1865, under which bonds are now outstanding to the amount, at their face value, of six million three hundred and seventy-eight thousand dollars ($6,378,000), of which bonds to the amount of three million and seven thousand dollars ($3,007,000) are now overdue, and bonds to the amount of three million three hundred and seventy-one thousand dollars ($3,371,000) will mature December 1, 1899.

Second. The bond-aided line from the eastern boundary of California to a point about five miles west of Ogden by the first mortgage of the Central Pacific Railroad Company of California to D. O. Mills and William E. Barron, trustees, dated January 1, 1867, under which bonds are now outstanding to the amount, at their face value, of nineteen million five hundred and three thousand dollars ($19,503,000), of which bonds to the amount of eighty thousand dollars ($80,000) are now overdue, and bonds to the amount of three million nine hundred and eighty-eight thousand dollars ($3,988,000) will mature June 1, 1900, and bonds to the amount of fifteen million four hundred and thirty-five thousand dollars ($15,435,000) will mature June 1, 1901.

Third. The bond-aided line from Sacramento to San José by the first mortgage of the Western Pacific Railroad Company to D. O. Mills and William E. Barron, trustees, dated October 28, 1869, under which bonds are now outstanding to the amount, at their face value, of one million nine hundred and seventy thousand dollars ($1,970,000), and will mature July 1, 1899.

Fourth. The bond-aided line from a point about five miles west of Ogden to Sacramento by the statutory lien in favor of the United States under the acts of Congress approved July 1, 1862, July 2, 1864, and March 3, 1865, above-mentioned, securing the balance of the indebtedness to the United States (amounting as of the date of this agreement to the sum of $53,389,052.74), resulting from the issue of bonds to the Central Pacific Railroad Company of California, as aforesaid, to aid in the construction of said bond-aided line, such statutory lien being by said acts subordinate to the liens of the first mortgages of the Central Pacific Railroad Company of California described in the preceding subdivisions first and second of this recital

Fifth. The bond-aided line from Sacramento to San Jose by the statutory lien in favor of the United States under the acts of Congress approved July 1, 1862, July 2, 1864, and March 3, 1865, above mentioned, securing the balance of the indebtedness to the United States (amounting, as of the date of this agreement, to the sum of $5,423,662.74) resulting from the issue of bonds to the Western Pacific Railroad Company, as aforesaid, to aid in the construction of said bond-aided line, such statutory lien being by said act subordinate to the lien of the first mortgage of the Western Pacific Railroad Company described in the preceding subdivision third of this recital.

And whereas the said nonbond-aided lines of railroad are covered by the following mortgages and liens, viz:

First. The nonbond-aided line from Oakland to Niles, by first mortgage from the Western Pacific Railroad Company to D. O. Mills and William E. Barron, trustees, dated October 28, 1869, under which bonds are now outstanding to the amount, at their face value, of seven hundred and sixty-five thousand dollars ($765,000), and will mature July 1, 1899.

Second. The nonbond-aided line from Lathrop to Goshen, by first mortgage from the Central Pacific Railroad Company to D. O. Mills and W. C. Ralston, trustees, dated October 1, 1870, under which bonds are now outstanding to the amount, at their face value, of six million and eighty thousand dollars ($6,080,000), and will mature October 1, 1900.

Third. The nonbond-aided line from Roseville to the Oregon boundary, by first mortgage from the California and Oregon Railroad Company to David S. Dodge and Eugene Kelly, trustees, dated January 1, 1868, and the supplemental mortgage from the Central Pacific Railroad Company, as successor of the California and Oregon Railroad Company (by consolidation, as aforesaid), to Eugene Kelly and Philo C. Calhoun, trustees, dated January 1, 1872, under which last-mentioned mortgages bonds are now outstanding to the amount, at their face value, of ten million three hundred and forty thousand dollars ($10,340,000), the date of maturity of such last-mentioned bonds having been extended to January 1, 1918, by virtue of extension agreements dated September 27, 1887, and September 25, 1891, respectively.

And whereas all the said bond-aided and nonbond-aided lines above referred to are further covered by mortgage from the Central Pacific Railroad Company to the Metropolitan Trust Company of the city of New York, trustee, dated April 1, 1889, under which there are now outstanding fifty-year five per cent bonds of said Central Pacific Railroad Company maturing April 1, 1939, to the amount, at their face value, of twelve million two hundred and eighty-three thousand dollars ($12,283,000), of which bonds to the amount, at their face value, of $2,038,000 are now held by the Metropolitan Trust Company, of the city of New York, as security for the outstanding land bonds hereinafter mentioned;

And whereas it is claimed by the United States, but not conceded by the other parties hereto, that under and by virtue of the provisions of an act entitled "An act to alter and amend the act entitled 'An act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military, and other purposes,' approved July first, eighteen hundred and sixty two, and also to alter and amend the act of Congress approved July second, eighteen hundred and sixty four, in amendment of said first-named act," approved May 7, 1878, the balances of indebtedness to the United States, hereinbefore referred to, amounting in the aggregate as of the date of this agreement to the sum of $58,812,715.48, are also secured by lien declared in said last-mentioned act upon all the railroad lines above mentioned, whether aided or nonaided;

And whereas the lands granted to the Central Pacific Railroad Company of California by the act of Congress of July 1, 1862, above mentioned, and the lands granted to the California and Oregon Railroad Company by act of Congress approved July 25, 1866, with the exceptions and reservations mentioned in the mortgage hereinafter mentioned, were mortgaged by the Central Pacific Railroad Company to Charles Crocker and Silas W. Sanderson by mortgage dated October 1, 1870, to secure an issue of land bonds of the Central Pacific Railroad Company which matured October 1, 1890, a part of which were, by extension agreement dated September 4, 1890, extended to October 1, 1900, and of which there are now outstanding bonds to the amount, at their face value, of $2,134,000;

And whereas, by act of Congress entitled "An act making appropriations to supply deficiencies in the appropriations for the fiscal year ending June thirtieth, eighteen hundred and ninety eight, and for prior years, and for other purposes," approved July 7, 1898, it was among other things provided as follows, viz: "That the Secretary of the Treasury, the Secretary of the Interior, and the Attorney-General, and their successors in office, be, and they are hereby, appointed a commission with full power to settle the indebtedness to the Government growing out of the issue of bonds in aid

of the construction of the Central Pacific and Western Pacific bond-aided railroads upon such terms and in such manner as may be agreed upon by them, or by a majority of them, and the owners of said railroads: *Provided*, That any and all settlements thus made shall be submitted in writing to the President for his approval or disapproval, and unless approved by him shall not be binding.

"That said commission shall not agree to accept a less sum in settlement of the amount due the United States than the full amount of the principal and interest and all amounts necessary to reimburse the United States for moneys paid for interest or otherwise: *And also provided*, That said commission are hereby empowered to grant such time or times of payment by installment, and at such rates of interest, to be not less than three per centum per annum, payable semiannually, and with such security as to said commission may seem expedient: *Provided, however*, That in any settlement that may be made the final payment and full discharge of said indebtedness shall not be postponed to exceed ten years, and the whole amount, principal and interest, shall be paid in equal semiannual installments within the period so limited, and in any settlement made it shall be provided that if default shall be made in any payment of either principal or interest, or any part thereof, then the whole sum and all installments, principal and interest, shall immediately become due and payable, notwithstanding any other stipulation of said settlement: *Provided further*, That unless the settlement herein authorized be perfected within one year after the passage of this act the President of the United States shall at once proceed to foreclose all liens now held by the United States against said railroad companies and to collect the indebtedness herein sought to be settled; and nothing in this act contained shall be held to waive or release any right, lien, or cause of action already held by the United States.

"That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of twenty thousand dollars to defray the expenses of said commission in making the said settlement."

And whereas it has been agreed by and between the commission appointed by said act and the owners of the railroads above described that the indebtedness of the United States growing out of the issue of bonds in aid of the construction of the Central Pacific and Western Pacific bond-aided railroads should be settled upon the terms and in the manner hereinafter agreed to, subject to the approval of the President of the United States, as provided in said last-mentioned act;

And whereas Messrs. Speyer & Company from time to time negotiated the sale of large amounts of the bonds secured by mortgage upon the railroads of the Central Pacific Railroad Company above mentioned, and are desirous of cooperating in a settlement of all matters relating to or affecting the indebtedness of said company and the adjustment of its affairs:

And whereas of the first-mortgage bonds of the Central Pacific Railroad Company of California secured upon the bond-aided lines above mentioned, and amounting in the aggregate at their face value to twenty-five million eight hundred and eighty-one thousand dollars ($25,881,000), there have been already deposited and still remain on deposit, subject to the order of Messrs. Speyer & Company, bonds to the amount at their face value of twenty-five million six hundred and thirteen thousand dollars ($25,613,000) under a bondholders' agreement dated August 14, 1897, a copy whereof has been furnished to the party of the first part hereto;

And whereas of the Central Pacific Railroad Company's fifty-year five per cent bonds issued under the mortgage to the Metropolitan Trust Company of the city of New York dated April 1, 1889, above mentioned, amounting in the aggregate (after deducting said bonds so as aforesaid held as security for the said land bonds) to the sum of ten million two hundred and forty-five thousand dollars ($10,245,000), there have been deposited and still remain on deposit subject to the order of Messrs. Speyer & Company bonds to the amount at their face value of eight million six hundred and eighty-six thousand dollars ($8,686,000) under a bondholders' agreement dated October 1, 1897, a copy whereof has been furnished to the party of the first part hereto.

And whereas the owners of the bonds deposited under each of the aforesaid agreements of August 14, 1897, and October 1, 1897, have thereby authorized Messrs. Speyer & Company, in their behalf, to negotiate with any other committees or representatives of holders of other securities of said railroad company or with the Government of the United States, or otherwise, for participation in respect of the deposited bonds in any plan of readjustment or reorganization or otherwise.

And whereas there have been deposited with committees consisting of F. G. Banbury, M. P., John B. Akroyd, Lord Alwyne Compton, M. P., Daniel Marks, and Joseph Price, in London, and August Belmont, Hon. John G. Carlisle, and George Coppell, in New York, under agreements copies of which have been furnished to the

party of the first part, certificates of the capital stock of the Central Pacific Railroad Company to the amount, at their face value, of at least thirty-eight million four hundred and one thousand eight hundred dollars ($38,401,800), out of a total outstanding capital stock of said company amounting, at its par value, to sixty-seven million two hundred and seventy-five thousand five hundred dollars ($67,275,500), and the said committees have authorized and requested the said Speyer & Company to negotiate, on their behalf, with the commission appointed by the act of Congress of July 7, 1898, above referred to, the basis of a settlement under and in pursuance of the said act of the indebtedness to the United States growing out of the issue of bonds in aid of the construction of said Central Pacific and Western Pacific bond-aided railroads above mentioned:

Now, therefore, this agreement witnesseth, that, in consideration of the premises, the parties hereto have undertaken, covenanted, and agreed, and do hereby undertake, covenant, and agree, to and with each other as follows, that is to say:

That the indebtedness to the United States growing out of the issue of bonds in aid of the construction of the Central Pacific and Western Pacific bond-aided railroads shall be, and it hereby is, settled upon the terms and in the manner following, that is to say:

FIRST.

The amount due the United States, being the full amount of the principal and interest, and all amounts necessary to reimburse the United States for moneys paid for interest or otherwise, is hereby found and agreed to be, on the day of the date of this agreement, the sum of fifty-eight million eight hundred and twelve thousand seven hundred and fifteen dollars and forty-eight cents ($58,812,715.48).

SECOND.

Within thirty days after this settlement shall become binding, by the submission thereof in writing to the President, and his approval thereof, the Central Pacific Railroad Company shall deliver to the Treasurer of the United States its twenty promissory notes, bearing even date herewith, payable respectively on or before the expiration of each successive six months for ten years, counting from the date of this agreement, each note being for one-twentieth of the foregoing sum of $58,812,715.48, and bearing interest at the rate of three per cent per annum, payable semiannually:

Provided, however, that if default shall be made in any payment of either principal or interest of any of said notes, or any part thereof, then all of said notes then outstanding, principal and interest, shall immediately become due and payable, notwithstanding any other stipulation of this agreement of settlement.

Each of the said notes shall be in the following form, viz:

SAN FRANCISCO, CAL., *February 1, 1899.*

On or before ——— the Central Pacific Railroad Company will pay to the order of the United States of America two million nine hundred and forty thousand six hundred and thirty-five 78/100 dollars, with interest meantime at the rate of three per cent per annum, payable semiannually, for value received.

This is one of a series of twenty notes given by said railroad company to the United States of America, each for the same principal sum and bearing interest at the same rate, but maturing at different dates; that is to say, on or before the expiration of each successive six months for ten years, counting from the date hereof. If default shall be made in any payment of either principal or interest of any of said notes or any part thereof, then all of said notes then outstanding, principal and interest, shall immediately become due and payable.

THIRD.

The payment of the principal and interest of the said notes and of the indebtedness represented thereby shall be secured by the pledge of $58,820,000, face value, first refunding mortgage four per cent gold bonds issued by the Central Pacific Railroad Company, or its successor company having title to the aforesaid railroads, such bonds to be part of an issue hereinafter described, not exceeding $100,000,000 in all, one twentieth part of such pledged bonds to be held as security for each of said notes.

FOURTH.

The said refunding bonds so to be pledged as security for the payment of the said notes and interest shall be delivered to the Treasurer of the United States within a reasonable time after this settlement becomes binding, for obtaining the deposit of securities, the assent of security owners, and the carrying out of such plan of reorganization or readjustment as may be necessary to enable the Central Pacific Railroad Company or its successor company to issue said refunding bonds and make the

mortgage to secure the same a valid lien upon the railroads aforesaid in accordance with the requirements herein expressed. A period of ten months from the delivery of said notes is hereby declared to be prima facie such reasonable time, but the Central Pacific Railroad Company agrees to use its best efforts to perfect such mortgage and deliver such bonds before the expiration of that time; and, on the other hand, should such reorganization or readjustment be delayed by the pendency of judicial proceedings for the purpose of enabling the company which is to make the new mortgage to execute and deliver refunding bonds secured as provided herein or be delayed by adverse litigation, such period is to be correspondingly extended; provided, however, that such period shall not be extended for any cause whatever for more than three years from the date of this agreement, except with the written approval of the President of the United States.

If default shall be made in the delivery of the said bonds so to be pledged within the period hereinabove prescribed for such delivery thereof, including any extension which there may have been under the foregoing provisions, then the whole amount of the said notes then outstanding, principal and interest, shall immediately become due and payable.

The said first refunding mortgage four per cent gold bonds referred to in article third and this article of this agreement are to run for at least forty-five years, and to bear interest at the rate of four per cent per annum, payable semiannually, and are to be payable, principal and interest, in gold coin of the United States, and are to be a part of an issue not exceeding one hundred million dollars face value, secured by mortgage upon all the railroads, equipment, and terminals now owned by the Central Pacific Railroad Company. Such mortgage shall be the first lien upon the said railroads, equipment, and terminals, or shall be secured by deposit as collateral security therefor of at least ninety per cent of the now outstanding first-mortgage bonds of the Central Pacific Railroad Company of California and Western Pacific Railroad Company referred to in paragraphs first, second, and third in the recitals to this agreement describing the mortgages and liens on "bond-aided lines," and of at least seventy-five per cent of the aggregate of all now outstanding bonds of the Central Pacific Railroad Company and of all now outstanding bonds of the divisional companies by the consolidation whereof it was formed, including such first-mortgage bonds of the Central Pacific Railroad Company of California and Western Pacific Railroad Company. In making such computation as to the amount of deposited bonds, it is agreed that the $2,038,000 fifty-year five per cent bonds held as security for the outstanding land bonds, as above stated, shall not be counted as outstanding bonds. If any of the mortgages now securing any of the outstanding bonds aforesaid (other than the mortgage securing the land bonds dated October 1, 1870, above referred to) shall be satisfied and discharged, such satisfaction and discharge thereof shall be deemed to be the equivalent of the deposit of all outstanding bonds now secured thereby as security for the said refunding bonds. The satisfaction and discharge of the said mortgage securing the land bonds dated October 1, 1870, shall be deemed to be the equivalent of the deposit as security for said refunding bonds of all bonds now secured by that mortgage: Provided, That the $2,038,000 fifty-year five per cent bonds held as security for such land bonds shall either be canceled or deposited as security for such refunding bonds.

The mortgage securing such refunding bonds shall be prior in lien to any lease of the railroads of said Central Pacific Railroad Company or their appurtenances or any portion thereof, and shall be in the form agreed upon by the parties hereto, and now identified by the signature of the Attorney-General of the United States, unless the form thereof should be hereafter modified with the consent of the Attorney-General of the United States and the party of the second part, or its successor company, and the party of the third part hereto.

Upon the satisfaction of record of any existing mortgage any securities or funds held in any sinking fund created or existing by or under any such mortgage shall be surrendered to the railroad company or its successor company.

The lands granted to the Central Pacific Railroad Company of California and to the California and Oregon Railroad Company, as above stated, are not to be covered by the mortgage securing such refunding bonds. Until the delivery to the Treasurer of the United States of the refunding bonds to be pledged to it under article third hereof, secured as aforesaid, all rights of the United States in respect to said granted lands shall remain in full force and effect, but shall not be enforced unless the Central Pacific Railroad Company, or its successor company, shall make default under this agreement; and upon such delivery of said refunding bond, ssecured as aforesaid, all rights, interest, and claims of the United States in, to, and in respect to such lands shall cease and determine.

From time to time, as the principal or any part of the principal of said notes shall be paid, the United States or other holders of said notes shall return to said railroad

company, or its successors, an equal amount at their face value of the said refunding bonds with all unmatured coupons appertaining thereto; and, as interest shall be paid upon said notes, the United States or other holders of said notes shall detach and return to said railroad company or its successors the coupons appertaining to said bonds representing interest thereon to the date to which interest shall have been paid upon said notes, which coupons shall thereupon be forthwith canceled.

FIFTH.

Until the refunding bonds hereinbefore provided for secured as aforesaid shall have been delivered to the Treasurer of the United States as security for the said notes, the lien in favor of the United States, reserved in the acts of Congress above mentioned to secure the repayment to the United States of the above-mentioned indebtedness, as such lien now exists, shall remain in full force and effect to the extent of such indebtedness as security for the notes representing such indebtedness; and nothing herein contained shall be deemed to prevent the United States from intervening for the protection of its said lien in any legal proceedings brought to foreclose any lien on said railroads or any part thereof or otherwise.

When the Central Pacific Railroad Company or its successor company shall have delivered to the Treasurer of the United States said refunding bonds secured as aforesaid, then the lien in favor of the United States above referred to, as then existing, shall immediately vest in, and it is hereby, upon the happening of that event, transferred to, the trustee of the mortgage securing such refunding bonds as security for the entire issue of such bonds.

SIXTH.

Until the notes to be given by the Central Pacific Railroad Company under article second of this agreement shall have been paid in full, principal and interest, all amounts due to the Central Pacific Railroad Company or its successor company from the United States subsequent to the date of this agreement in respect of services to the United Stated upon the bond-aided lines from a point about five miles west of Ogden to Sacramento and from Sacramento to San José, above referred to, shall, as audited and allowed, be applied by the United States pro rata on account of the amounts remaining unpaid on such of said notes as shall not have been purchased by Messrs. Speyer & Co. hereunder, such application being first made to the payment of accrued interest thereon and thereafter on account of the principal thereof.

SEVENTH.

Messrs. Speyer & Company, within one month after the delivery to the United States of the notes referred to in article second hereof, will, against delivery to them of the four earliest maturing notes, indorsed to their order by the Secretary of the Treasury on behalf of the United States, without recourse to it, pay to the United States the face value of such notes, viz: Eleven million seven hundred and sixty-two thousand five hundred and forty-three dollars and twelve cents ($11,762,543.12), with accrued interest thereon to date of payment. From and after the time when such payment shall have been made by Messrs. Speyer & Company they shall, until the delivery of such refunding bonds, be entitled to share pro rata with the United States in the lien and all proceeds of the lien in favor of the United States to secure the indebtedness above referred to. Upon delivery of the said refunding bonds, Messrs. Speyer & Company shall be entitled to receive such bonds to the amount, at their face value, of the principal of said notes then remaining unpaid which are then held by said Speyer & Company.

Within ten days after the maturity of each of said notes held by Messrs. Speyer & Company, the said Speyer & Company shall notify the Secretary of the Treasury of the United States whether such matured note and the matured interest on all the notes held by them have been paid to them or not.

Until the refunding bonds hereinbefore provided for secured as aforesaid shall have been delivered to the Treasurer of the United States as security for the said notes, all rights of the United States in or to or in respect of the said lien, and in or to or in respect of the lands granted as aforesaid, shall remain unaffected by the transfer of the said notes to Speyer and Company, and all right and title of the United States in the said lien, and in respect of the said lands, shall be deemed to continue in the United States as fully as if the said notes remained in its possession and ownership, save only that the said right and title shall be deemed to be held by the United States for the pro rata benefit of itself and said Speyer and Company, and the United States may bring and maintain any and all actions, suits, and proceedings which it might have brought or maintained, and may do any and all acts and things which it might have done had all the said notes remained in its possession

and ownership, provided that all recoveries, benefits, and advantages derived or obtained through or by means of such actions, suits, proceedings, and acts for the enforcement of such lien and rights, shall inure to the pro rata benefit of the United States and said Speyer and Company. In case of any default in payment of the principal or interest of any of said notes, the United States will thereupon proceed for the enforcement of the said lien.

In witness whereof this agreement has been executed on behalf of the United States of America by Honorable Lyman J. Gage, Secretary of the Treasury, Honorable Cornelius N. Bliss, Secretary of the Interior, and Honorable John W. Griggs, Attorney-General, appointed by the act of Congress a commission as hereabove stated; by the Central Pacific Railroad Company, by its president and under its corporate seal, attested by its secretary, and by Messrs. Speyer & Company, under their hands, the day and year first above written. Executed in triplicate.

LYMAN J. GAGE,
Secretary of the Treasury.
CORNELIUS N. BLISS,
Secretary of the Interior.
JOHN W. GRIGGS,
Attorney-General.

Approved:
WILLIAM MCKINLEY.

CENTRAL PACIFIC RAILROAD COMPANY,
By ISAAC L. REQUA, *President.*

[SEAL.] Attest:
W. M. THOMPSON, *Secretary.*

SPEYER & CO.

STATE OF CALIFORNIA, *City and County of San Francisco, ss:*

On this 6th day of February, A. D. 1899, before me, E. B. Ryan, a notary public in and for the city and county of San Francisco, duly commissioned and sworn, personally appeared Isaac L. Requa, know to me to be the president, and W. M. Thompson, known to me to be the secretary, of the Central Pacific Railroad Company, the corporation described in and who executed the within and annexed instrument, and acknowledged to me that said corporation executed the same.

In witness whereof I have hereunto set my hand and affixed my official seal, at my office in the city and county of San Francisco, the day and year in this certificate first above written.

[SEAL.]
E. B. RYAN,
Notary Public in and for the City and County of San Francisco, State of California.

Under the acts of July 1, 1862, July 2, 1864, and July 25, 1866, the roads which form the present company received from the United States grants of land to aid in construction as follows:

	Acres.
Central Pacific	8,000,000
Western Pacific	1,000,000
Oregon Branch Central Pacific (California and Oregon)	3,500,000
Total	12,500,000

Ogden, Utah, and Sacramento, Cal.; Brighton and Niles, Cal.; Niles and San Jose, Cal., junction with Central Pacific Railroad and the southern boundary of Oregon are the land-grant termini. The records of the General Land Office show that to June 30, 1899, there had been patented to the—

	Acres.
Central Pacific:	
In California	655,130.87
In Nevada	870,983.33
In Utah	1,144,915.48
In Idaho	8,094.24
	2,679,123.92
Western Pacific Railroad Company, in California	451,930.64
Oregon Branch Central Pacific Railroad Company, in California	3,003,245.15
Total	6,134,299.71

The report of the company shows that to June 30, 1899, there had been acquired by the United States patent to the Central Pacific 2,484,824.25 acres, and to the California and Oregon 3,019,047.74 acres, making a total of 5,503,871.99 acres. Of this acreage there had been disposed of for cash and on time contracts 3,008,960.91 acres. The total cash receipts from all sales to date amounted to $10,573,853.05, and there were outstanding on account of time sales $636,190.78. The receipts from this department during the year amounted to $167,921.45. The average price per acre now asked is $3.

MILEAGE.

	Miles.	Miles.
Main line:		
Oakland wharf, California to Ogden, Utah		872.08
San Francisco to Oakland wharf (ferry)		3.69
Branch lines:		
Roseville Junction, Cal., to Oregon State line	296.58	
Lathrop to Goshen, Cal	146.08	
San Jose to Niles, Cal	17.53	
Oakland pier to East Oakland, Cal	4.84	
Oakland pier to Melrose, Cal	8.12	
Mastick to Alameda wharf, Cal	1.25	
Fernside to East Oakland, Cal	1.98	
		476.38
Leased lines:		
Brighton to Sacramento, Cal	5.64	
Ogden, Utah, to point 5 miles west of Ogden	5.00	
		10.64
Total length of road		1,362.79
Length of double track		11.05
Length of sidings		368.02
Total length of track		1,741.86

With the exception of 4.84 miles, the track is entirely laid with steel rails of various weights, from 50 to 76 pounds. There are 1,287.39 miles of fencing, including 32.08 miles of snowsheds. During the year 482,559 feet of new 75-pound steel rails, aggregating 5,385.70 tons, were laid, at a cost of $137,712.35, and 444,504 new redwood and pine cross-ties (of which 361,131 were treated) were placed in the track, at a cost of $174,049.03. The additions and betterments to railway, etc., charged to income account amounted to $407,225.75.

The rolling stock at the close of the year consisted of 303 locomotives and 341 cars in the passenger, 4,981 in the freight, and 181 in the miscellaneous departments, respectively.

The assessed valuation on June 30, 1897, of roadway, bridges, track, buildings, etc., for taxation, was $23,972,426, or an average of $17,508.94 per mile.

The properties of the company were inspected by me during the summer. The road was found in very good condition, the usual high standard being maintained. The company has continued its policy of substituting steel for wood in its bridges. The main and second tracks are entirely laid with steel. The heavy fall of snow on the Sierras has made necessary the construction and maintenance of a large number of snowsheds, which completely cover the track, in many cases extending a long distance up the sides of the mountains. The total length of these sheds is over 32 miles. As a means of protection against destruction by fire there has been established throughout the sheds a system of fire patrol, with an electric fire-alarm system.

The following statements show the operations for the year and the company's balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$4,567,475.04	$4,575,224.61		$7,749.57
Freight	10,427,593.54	9,743,037.88	$684,555.66	
Mail	717,491.74	670,285.82	47,205.92	
Express	258,245.00	237,260.45	20,984.55	
Miscellaneous	479,103.90	576,402.76		97,298.86
Total	16,449,909.22	15,802,211.52	647,697.70	
EXPENSES.				
Maintenance of way and structures	1,859,821.55	1,676,312.74	183,508.81	
Maintenance of equipment	1,807,924.89	1,755,341.70	52,583.19	
Conducting transportation	5,842,336.93	5,393,953.96	448,382.97	
General expenses and taxes	1,041,498.76	916,007.98	125,490.78	
Total	10,551,582.13	9,741,616.38	809,965.75	
Net earnings	5,898,327.09	6,060,595.14		162,268.05
Miles operated	1,362.80	1,362.91		0.11
Earnings per mile	$12,070.67	$11,594.46	$476.21	
Expenses per mile	7,742.58	7,147.66	594.92	
Net earnings per mile	4,328.09	4,446.80		$118.71
Percentage of expenses to earnings	64.14	61.64	2.50	

Revenue and expenditures.

REVENUE.		
Earnings	$16,401,026.86	
Profits on stocks of other companies	15,069.84	
Rentals	62,682.36	
Profits on miscellaneous investments	93,377.56	
Receipts of the land department	264,024.82	
Interest on sinking fund	667,617.78	
Rental from lessee	10,000.00	
Miscellaneous	41,621.59	
Total		$17,555,420.81
EXPENDITURES.		
Operating expenses and taxes	10,524,382.13	
Interest on funded debt	3,064,025.02	
Interest on notes to United States Government	735,158.94	
Rentals	124,926.87	
Administration expenses	92,904.78	
Payments to sinking fund, company	667,617.78	
Sinking fund requirements, company	235,000.00	
New construction and equipment	407,225.75	
Expenses of the land department	36,357.26	
Taxes on granted lands	70,194.04	
Old accounts charged off	19,248.25	
United States sinking fund requirement	595,269.86	
Land receipts paid to trustees of land mortgage	247,062.99	
Total		16,819,373.67
Surplus		736,047.14

Comparative statement of financial condition.

	Year ended—	
	June 30, 1899.	June 30, 1898.
ASSETS.		
Cost of road and fixtures	$200,601,656.47	$169,646,696.14
Cost of equipment	1,891,847.38	1,891,847.38
Land contracts, land cash, etc	630,692.18	558,223.95
Fuel, material, and stores on hand	1,591,658.42	1,107,166.80
Cash on hand	312,543.77	191,460.43
Stocks and bonds	248,947.50	306,320.00
Miscellaneous investments	18,862.63	18,681.28
Sinking funds in hands of trustees	14,877,333.08	13,743,952.45
Bills receivable	2,771.77	10,712.00
Accounts receivable	1,133,025.36	563,146.90
Due from other companies, account leases	435,570.39	437,751.05
United States unsettled accounts	1,314,777.87	1,068,161.67
United States transportation and sinking fund accounts		16,774,562.15
Total	223,059,686.82	206,318,682.20
LIABILITIES.		
First mortgage bonds	27,850,000.00	27,851,000.00
Other funded debt	31,658,000.00	31,728,000.00
United States subsidy bonds		27,855,680.00
Interest on same paid by United States		48,923,416.98
United States 3 per cent notes	58,812,715.48	
Interest accrued on same	735,158.94	
Interest on other funded debt, due	162,068.31	47,470.00
Interest on same accrued, not due	272,252.50	273,127.50
Dividends unpaid	12,360.00	26,575.00
Bills and accounts payable	465.45	271,549.03
Trustees land grant mortgage	1,346,114.15	1,270,570.77
Sinking funds uninvested	409,633.20	321,265.42
Company's sinking funds accrued, not due		117,500.00
Requirement under Thurman Act accrued, not due		495,146.46
Renewal funds for rolling stock and floating equipment	844,044.21	823,063.02
Taxes assessed, not due	82,500.00	84,500.00
Contributions to sinking fund accrued, not due	117,500.00	
Capital stock	67,275,500.00	67,275,500.00
Total	189,578,312.24	207,364,364.18
Surplus	33,481,374.58	
Deficit		1,045,681.98

In addition to the assets shown in above statement the company owns the lands granted by the United States to aid in the construction of the road, and which now remain unsold. The value of these lands has not been closely determined or satisfactorily estimated.

The amount found due the United States for the year ended December 31, 1898, under the provisions of the Thurman Act, as ascertained by this office, is shown by the following statement:

EARNINGS.

United States:		
Passenger	$290,761.14	
Freight	99,718.02	
Mail	561,813.38	
		$952,292.54
Commercial:		
Passenger	2,219,647.65	
Freight	7,024,178.19	
Miscellaneous	200,585.69	
		9,444,411.53
Total earnings		10,396,704.07

EXPENSES.

Maintenance of way and structures	$1,130,913.62	
Maintenance of equipment	1,051,040.05	
Conducting transportation	3,543,161.09	
General expenses, taxes and rentals	518,869.46	
Total	6,243,984.22	
Interest on first-mortgage bonds having priority of lien	1,390,244.21	
Total expenses		$7,634,228.43
Net earnings		2,762,475.64
Twenty-five per cent of net earnings		690,618.90

DUE THE UNITED STATES.

One-half of Government transportation, as above	476,146.27	
Five per cent of net earnings	138,123.78	
Total to credit of bond and interest account		614,270.05
One-half of Government transportation, as above	476,146.27	
Total to credit of sinking-fund account		476,146.27
Total requirement for the year		1,090,416.32

SIOUX CITY AND PACIFIC RAILROAD COMPANY.

This road is operated as a part of the Chicago and Northwestern system, that company owning all but a few shares of the common capital stock.

Under the Pacific railroad acts of 1862 and 1864, the Sioux City and Pacific Railroad Company received bonds from the United States, to aid in its construction, to the amount of $1,628,320. The portion of the road which received this aid extends from Sioux City to California Junction, Iowa, thence to Fremont, Nebr., a distance, under the original measurement, of 101.77 miles; the United States bonds issued to the company are secured by a second mortgage on this portion of the road. These subsidy bonds matured January 1, 1898, and default was made by the company in repayment thereof to the Government. The first-mortgage bonds of the company, amounting to $1,628,000, which constitute a lien prior to that of the United States, also matured January 1, 1898.

The excess of interest paid by the United States on the subsidy bonds over all credits allowed amounted on June 30, 1899, to $2,588,606.06, which, with the principal outstanding, made the balance of debt due the Government $4,216,926.06.

The company also received from the United States a grant of land estimated at 60,000 acres. The records of the General Land Office show that to June 30, 1899, there had been patented to the company in the State of Nebraska 37,582.35 acres, and in the State of Iowa 4,343.11 acres; total, 41,925.46 acres. All these lands other than that now used for railroad purposes were sold by the company prior to August 1, 1875. Sioux City, Iowa, via California Junction, and Fremont, Nebr., are the land-grant termini.

The report of the company shows that there are 4.85 miles of 72-pound American steel rail, 97.70 miles of 60-pound American steel rail, and 4.87 miles of 56-pound iron rail, and there are 97.50 miles of barbed-wire fencing. During the year 19,719 cedar and oak cross-ties were placed in the track, costing $9,347.30.

The additions and betterments to the railway and rolling stock during the year amounted to $2,299.18. The assessed valuation of the railroad, including buildings and equipment, for taxation was $617,570; an average per mile of $5,749.

The following statements show the operations of the company for the fiscal year and the general balance sheet of the company on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ending—		Differences.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$213,957.51	$195,871.10	$18,086.41	
Freight	256,478.77	252,257.34	4,221.43	
Mail	31,303.88	29,928.56	1,375.32	
Express	8,985.12	9,492.40		$507.28
Miscellaneous	24,348.58	26,191.78		1,843.20
Total	535,073.86	513,741.18	21,332.68	
EXPENSES.				
Maintenance of way and structures	40,629.65	64,543.28		23,913.63
Maintenance of equipment	35,474.48	35,692.30		217.82
Conducting transportation	233,747.78	213,583.00	20,164.78	
General expenses and taxes	35,450.27	32,871.86	2,578.41	
Total	345,302.18	346,690.44		1,388.26
Net earnings	189,771.68	167,050.74	22,720.94	
Miles operated	107.42	107.42		
Earnings per mile	$4,981.14	$4,782.55	$198.59	
Expenses per mile	3,214.51	3,227.43		$12.92
Net earnings per mile	1,766.63	1,555.12	211.51	
Percentage of expenses to earnings	64.53	67.48		

Revenue and expenditures.

REVENUE.		
Earnings	$535,073.86	
Profit and loss	5,917.51	
Total		$540,991.37
EXPENDITURES.		
Operating expenses	345,302.18	
Interest on first-mortgage bonds	97,680.00	
Interest on other funded debt	97,699.20	
New construction	2,299.18	
Interest on preferred stock	11,830.00	
Total		554,810.56
Deficit		13,819.19

General balance sheet.

ASSETS.		
Cost of road, fixtures, and equipments	$5,766,427.02	
Fuel, material, and stores ahead	28,108.45	
Cash on hand	142,268.49	
Accounts receivable	131,947.96	
Half Government transportation on aided road	86,281.03	
Cash payments by company to board and interest account	21,255.99	
Due from United States, unsettled accounts	395,914.27	
Total		$6,572,203.21

LIABILITIES.

First-mortgage bonds	$1,628,000.00	
Interest on same, due and accrued	1,470.00	
Interest on same, accrued not due	48,840.00	
United States subsidy bonds	1,628,320.00	
Interest on same paid by United States	3,027,484.69	
Interest on preferred stock, accrued not due	2,957.51	
Pay rolls and vouchers	61,694.76	
Due other companies account traffic	29,275.49	
Capital stock	2,068,400.00	
Total		$8,496,442.45
Deficit		1,924,239.24

The amount found due the United States from the Sioux City and Pacific Railroad Company, under the acts of 1862 and 1864, for the year ended December 31, 1898, as ascertained by this office, is as follows:

EARNINGS.

United States transportation:		
Passenger	$1,408.76	
Excess baggage	.25	
Freight	2,197.49	
Mail	28,006.43	
		$31,612.93
Commercial:		
Passenger	197,845.11	
Excess baggage	4,466.00	
Freight	218,919.59	
Express	8,489.16	
Miscellaneous	20,811.24	
		450,531.10
Total earnings of aided line		482,144.03
Operating expenses and taxes:		
Maintenance of way and structures	34,958.51	
Maintenance of equipment	27,989.86	
Conducting transportation	208,871.02	
General expenses and taxes	33,183.67	
	305,003.06	
New construction and equipment	1,177.37	
Total operating expenses, taxes, and construction and equipment of aided line		306,180.43
Net earnings of aided line		175,963.60
Five per cent on same equals		8,798.18

DUE THE UNITED STATES.

One-half of Government transportation, as above	15,806.47
Five per cent of net earnings, as above	8,798.18
Total	24,604.65

From the following statement, showing the amounts required to be paid each year by the Sioux City and Pacific Railroad Company to the United States, and the credits which have been annually allowed on account of transportation services, it appears that the company is in default to the Government on this account in the sum of $132,659.67.

The company claims, however, that it has accounts for services before the Treasury Department, which have not yet been acted upon, which will more than offset this deficiency.

Period.	Requirements.			Credits, transportation services rendered.	Difference.	
	One-half transportation services on aided line.	5 per cent of net earnings.	Total.		Debit.	Credit.
To June 30, 1878	$35,016.36		$35,016.36	$75,517.99		$40,501.63
Six months ended Dec. 31, 1878	3,768.93		3,768.93	8,130.57		4,361.64
Calendar year—						
1879	4,790.95	$7,132.97	11,923.92	10,235.35	$1,588.57	
1880	9,475.67	7,904.85	17,380.52	20,440.67		3,060.15
1881	10,043.20	5,657.46	15,700.66	21,557.98		5,857.32
1882	14,066.54		14,066.54	30,270.01		16,203.47
1883	4,891.37	5,444.79	10,336.16	10,627.22		291.06
1884	9,636.84	12,802.85	22,439.69	20,659.77	[illegible]	
1885	6,638.12	12,860.99	19,499.11	39,573.[illegible]		[illegible]
1886	7,730.05	12,509.47	20,239.52	18,144.54	[illegible]	
1887	10,140.49	12,449.42	22,589.91	8,069.49	[illegible]	
1888	11,900.67	7,083.64	[illegible]	[illegible]	[illegible]	
1889	11,772.42	10,290.31	22,062.73	[illegible]	[illegible]	
1890	11,538.03	9,280.81	[illegible]	[illegible]	[illegible]	
1891	13,576.81	7,436.14	[illegible]	[illegible]	[illegible]	
1892	14,407.03		[illegible]	[illegible]		[illegible]
1893	13,544.49	6,642.29	20,186.78	13,851.90	6,334.88	
1894	13,793.77	7,862.39	21,656.16	13,686.81	7,969.35	
1895	14,030.80	6,027.13	20,057.93	13,568.31	6,489.62	
1896	14,653.10	5,338.25	19,991.35	14,978.57	5,012.78	
1897	15,642.85	5,577.33	21,220.18	15,507.62	5,712.56	
1898	15,806.47	8,798.18	24,604.65	16,032.39	8,572.26	
Total	266,864.96	151,099.27	417,964.23	414,057.78	94,358.28	90,451.83

RECAPITULATION.

Bond and interest account.

Dr.		
To requirements under the acts of 1862 and 1864		$417,964.23
Cr.		
By transportation services rendered	$414,057.78	
Less judgments Court of Claims in favor of United States:		
Paid in January, 1882	$45,987.42	
Paid in August, 1886	82,765.80	
	128,753.22	
		285,304.56
Balance in favor of United States		132,659.67

CENTRAL BRANCH UNION PACIFIC RAILWAY COMPANY.

This company is the successor of the Central Branch Union Pacific Railroad Company, the properties of which were bought at foreclosure sale on May 23, 1898, by Simon Borg and Gilmer Clapp, for $2,350,000. The suit for foreclosure was brought by the trustees under the first mortgage, the proceeds of sale, $2,350,000, going to cover principal of first-mortgage bonds and accrued interest thereon. It will thus be observed that in this transaction the United States, holder of the junior lien, received nothing by way of reimbursement for the indebtedness of this company, which on June 30, 1899, amounted to $3,758,854.13. Under the acts of 1862 and 1864 this company received bonds from the United States to aid in its construction amounting to $1,600,000, for which a second lien was taken on the road from Atchison to Waterville, Kans., a distance of 100 miles. This principal with the accrued interest, $2,758,854.13, makes the total indebtedness referred to above $3,758,854.13. The company has defaulted in the payment of this

indebtedness and the date of such default was fixed by the Secretary of the Interior as January 1, 1896.

This office has been informed by the Attorney-General that no judicial proceedings have been taken with reference to this indebtedness of the company to the United States.

This company received from the United States a grant of 781,944.83 acres of land. The records of the General Land Office show that to June 30, 1899, there had been patented to the company 222,711.99 acres. The report of the company gives no statistics of the amount of land it has received or the amount now on hand. The Secretary of the Interior has suspended the issuance of patents, except for lands which were actually sold to bona fide purchasers before default by this company.

The line of the road extends from Atchison to Waterville, Kans., a distance of 100 miles. There are 0.80 of a mile of double track and 25.95 miles of sidings. The entire main line is laid with American steel rails of 52 and 56 pounds weight. The cross-ties are oak, and average 2,900 to the mile. There are 173 miles of barbed-wire fencing, and bridges aggregating 6,408 feet in length. The ballast consists of 25.94 miles of stone, 20.39 miles of cinder, and 53.67 miles of earth.

There were no renewals of rails during the year. Oak cross-ties, numbering 42,245, were placed on the track, at a cost of $19,424.88. Betterments to railway and rolling stock were effected through expense accounts, but no improvement account is kept. The rolling stock consists of 32 locomotives and 23 cars in the passenger, 478 in the freight, and 209 in the miscellaneous departments, respectively. The assessed valuation of roadway, bridges, track, buildings, etc., for taxation is $686,840, and of rolling stock and equipment $62,399.

The following statements show the operations for the year and the company's general balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$68,179.89	$66,958.79	$1,221.10	
Freight	422,883.42	563,729.31		$140,845.89
Mail	17,393.60	16,353.84	1,039.76	
Express	6,309.97	4,036.24	2,273.73	
Miscellaneous	54,822.67	46,418.24	8,404.43	
Total	569,589.55	697,496.42		127,906.87
EXPENSES.				
Maintenance of way and structures	93,447.67	65,801.69	27,645.98	
Maintenance of equipment	64,949.95	72,204.92		7,254.97
Conducting transportation	195,867.61	232,310.66		36,443.05
General expenses	16,586.53	23,083.16		6,496.63
Total	370,851.76	393,400.43		22,548.67
Net earnings	198,737.79	304,095.99		105,358.20
Miles operated	100	100		
Earnings per mile	$5,695.89	$6,974.96		$1,279.07
Expenses per mile	3,708.52	3,934.00		225.48
Net earnings per mile	1,987.37	3,040.96		1,053.59
Percentage of expenses to earnings	65.11	56.40	8.71	

Revenue and expenditures.

REVENUE.

Earnings	$569,589.55	
Rentals	7,382.04	
Sundry amounts	14.84	
Total		$576,986.43

EXPENDITURES.

Interest on funded debt	108,333.33	
Operating expenses and taxes	409,021.32	
Sundry amounts	131.07	
Total		517,485.72
Surplus		59,500.71

General balance sheet.

ASSETS.

Cost of road, fixtures, and equipment	$5,000,000.00	
Real estate other than road	988.02	
Accounts receivable	70,726.02	
Total		$5,071,714.04

LIABILITIES.

First-mortgage bonds	2,500,000.00	
Interest on funded debt due and unpaid	3,880.00	
Interest on same accrued, not due	8,333.33	
Capital stock	2,500,000.00	
Total		5,012,213.33
Surplus		59,500.71

ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY.

This company was chartered December 12, 1895, and succeeded to the property and franchises of the Atchison, Topeka and Santa Fe Railroad Company, whose property was sold under foreclosure on December 10, 1895. The new company assumed control on January 1, 1896.

By the act of Congress approved March 3, 1863, the Atchison, Topeka and Santa Fe Railroad Company received from the United States, through the State of Kansas, a grant of 3,000,000 acres of land. Atchison, Kans., and State line Kansas and Colorado; Lawrence, Kans., and southern boundary of Kansas, near Coffeyville, are the land grant termini. By the same act a grant of 800,000 acres was made to the Leavenworth, Lawrence and Galveston Railroad Company, which was acquired by this company by consolidation on April 16, 1885.

The records of the General Land Office show that to June 30, 1899, there had been patented to the Atchison, Topeka and Santa Fe Railroad Company 2,944,788.14 acres, and to the Leavenworth, Lawrence and Galveston Railroad Company 249,446.13 acres. The granted lands did not pass under the reorganization to the new company, but remained in the possession of the receivers for the old company, and were sold by them for the benefit of the creditors of that company. The present company has consequently no lands to report upon.

The report of the company on the form prescribed by this office includes the property and operations of the following-named companies, of which practically the entire issue of capital stock and bonds is owned by this company and pledged as part of the security for its general-mortgage bonds, and the property of which is operated as a part of this system, viz:

Atchison, Topeka and Santa Fe Railroad Co., in Chicago.
Chicago, Santa Fe and California Railway Co.
Mississippi River Railroad and Toll Bridge Co.
The Sibley Bridge Co.
St. Joseph, St. Louis and Santa Fe Railway Co.
Chicago, Kansas and Western Railroad Co.
Florence, Eldorado and Walnut Valley Railroad Co.
Kansas City, Emporia and Southern Railway Co.
Kansas City, Topeka and Western Railroad Co.
Leavenworth, Northern and Southern Railway Co.
Marion and McPherson Railway Co.
Southern Kansas Railway Co.
Wichita and Southwestern Railway Co.
Denver and Santa Fe Railway Co.
Pueblo and Arkansas Valley Railroad Co.
New Mexico and Southern Pacific Railroad Co.
Rio Grande, Mexico and Pacific Railroad Co.
Silver City, Deming and Pacific Railroad Co.
Santa Rita Railroad Co.
Kansas and Southeastern Railroad Co.

It also includes the Rio Grande and El Paso Railroad and the Southern Kansas Railway of Texas, which are controlled by this company through ownership of stock and bonds, but are operated separately.

The following-named railroads were acquired during the year ended June 30, 1899, by direct deeds of conveyance, the property of which is operated as part of the system, viz:

The Burlingame and Northwestern.
The Silver City and Northern.
The Wichita and Western.
The Kingman, Pratt and Western.

The company operated 1,595.10 miles of main line and 3,086.27 miles of branch lines, making the total length of road 4,687.81 miles. There are 74.20 miles of double track and 1,068.33 miles of sidings. Steel rails are laid on 4,526.30 miles of track, and there are 2,603 miles of barbed-wire fencing. The ballast consists of 655.62 miles of stone, 503.85 miles of gravel, 46.53 miles of slag, 243.41 miles of cinder, 3,161.21 miles of earth, and 77.14 miles of gumbo.

During the year 40,401 tons of new steel rails were laid, at a cost of $767,627.65, and 1,224,546 new cross-ties were placed in the track, costing $541,198.69. The additions and betterments to railway, etc., which were charged to construction account, amounted to $2,191,890.18. The additions and betterments to rolling stock during the year, charged to equipment account, amounted to $539,062.81. The rolling stock consists of 884 locomotives and 530 cars in the passenger, 24,698 in the freight, and 2,070 in the miscellaneous departments, respectively.

The assessed valuation of roadway, etc., for taxation was $29,406,332, and of equipments, $4,603,798.80.

The following statements show the operations for the year and the general balance sheet on June 30, 1899.

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$5,406,113.06	$4,722,485.57	$683,627.49	
Freight	19,188,041.36	18,875,693.58	312,347.78	
Mail	862,832.66	777,173.35	85,659.31	
Express	884,746.32	824,136.03	60,610.29	
Miscellaneous	335,086.80	875,633.29		
Total	26,676,820.20	26,075,121.82	601,698.38	
EXPENSES.				
Maintenance of way and structures	4,333,009.90	4,724,587.96		391,578.06
Maintenance of equipment	2,975,084.33	3,016,458.54		41,374.21
Conducting transportation	8,991,819.35	9,339,656.56		347,837.21
General expenses and taxes	1,830,761.28	1,820,910.91	9,850.37	
Total	18,130,674.86	18,901,613.97		770,939.11
Net earnings	8,546,145.34	7,173,507.85	1,372,637.49	
Miles operated	4,687.81	4,347.00	340.81	
Earnings per mile	$5,690.67	$5,734.08		43.41
Expenses per mile	3,867.62	4,156.58		288.96
Net earnings per mile	1,823.05	1,577.50	245.55	
Percentage of expenses to earnings	67.96	72.48		4.52

Revenue and expenditures.

REVENUE.

Earnings	$26,676,820.20	
Profits on bonds of other companies	1,775.00	
Dividends on stocks of other companies	51,451.00	
Interest on bonds of other companies	69,215.82	
Profits on miscellaneous investments	15,991.76	
Interest on miscellaneous investments	88,675.31	
Net income from separately operated roads forming part of the system, the stocks and bonds of which are pledged under the general mortgage	2,686,701.33	
Total		$29,590,630.42

EXPENDITURES.

Operating expenses	18,130,674.86	
Interest on general mortgage bonds	4,981,162.83	
Interest on other funded debt	206,969.17	
Losses on miscellaneous investments	30,310.45	
Miscellaneous deductions	43,675.75	
Dividends	1,141,657.00	
Total		24,534,450.06
Surplus		5,056,180.36

General balance sheet.

ASSETS.

Cost of road, fixtures, and equipment	$392,226,838.00
Improvements, auxiliary companies	4,838,306.30
Capital stock, preferred, in trust	17,286,470.00
Fuel, material, and stores on hand	1,642,889.70
Cash on hand	5,145,592.43
Company's stocks and bonds	2,531,731.72
Other stocks and bonds	2,893,777.51
Sinking fund in hands of trustees	315,194.86
Bills receivable	43,814.88
Accounts receivable	2,468,737.87
Due from agents	159,332.72
Suspense accounts	9,437.08
Total	$429,562,123.07

General balance sheet—Continued.

LIABILITIES.

General mortgage bonds	$129,787,500.00	
Interest on same due and accrued	94,460.00	
Interest on same accrued not due	1,275,937.50	
Other funded debt	54,671,210.00	
Interest on same due and unpaid	84,790.00	
Interest on same accrued not due	2,083,840.00	
Pay rolls and vouchers	2,195,750.83	
Due other companies on account of traffic (net)	182,163.93	
Accrued taxes not yet payable	590,847.31	
Unascertained liabilities prior to January 1, 1896, estimated	337,387.67	
Rolling stock replacement fund	357,743.91	
Capital stock	233,486,000.00	
Total		$425,147,631.15
Surplus		4,414,491.92

SANTA FE PACIFIC RAILROAD COMPANY.

The Santa Fe Pacific Railroad Company was organized by the purchasers (the Atchison, Topeka and Santa Fe Railway Company) as the successor of the Atlantic and Pacific Railroad Company on June 16, 1897, when a certificate of its organization was filed in the office of the Secretary of the Interior. The new company formally assumed possession of the property on July 1, 1897.

By an act of Congress approved July 27, 1866, the Atlantic and Pacific Railroad Company, of which this road is the successor, received from the United States a grant of 42,000,000 acres of land. Springfield, Mo., via Canadian River; Albuquerque and Agua Fria and Colorado River and the Pacific Ocean are the land-grant termini. The portion of this grant within the State of Missouri, estimated at 1,139,200 acres, is now owned by the St. Louis and San Francisco Railroad Company. The records of the General Land Office show that by the act of July 6, 1886, there were forfeited in California and New Mexico 10,795,480 acres, and that 4,790,000 acres of railroad indemnity lands have been restored to the public domain. There had been patented to the company to June 30, 1899, in Arizona 373,099.38 acres and in New Mexico 335,624.09 acres, making a total of 708,723.47 acres.

The company reports that it has received by United States patent 708,523.47 acres of land, all of which has been disposed of, the total receipts to date being $3,960,532.64. The receipts from that source during the year amounted to $29,824.12, and the expenses to $14,999.41.

The number of miles of road owned is 563.49, and leased 255.06; there are 140.16 miles of sidings, making the total length of the road operated 958.71 miles. The road is laid with steel rails of 50 and 66 pounds to the yard. During the year 31,075 tons of new steel rails were laid, at a cost of $663,248.78, and 505,635 new cross-ties were placed in the track, costing $224,571.07. The additions and betterments to railway amounted to $857,816.84; the additions to rolling stock amounted to $12,229.57.

The equipment consists of 133 locomotives, all of which are equipped with air brakes; 30 cars in the passenger service, all equipped with Westinghouse brakes and Miller couplers and platforms; 1,690 cars in

the freight service, of which 1,544 are equipped with air brakes, and 79 cars in the road and miscellaneous service.

The express business is transacted by Wells, Fargo & Co. Pullman Palace Car Company's sleeping and tourist cars are run on a mileage basis. The telegraph business is conducted under contract with the Western Union Telegraph Company.

The following statements show the earnings and expenses for the year and the financial condition of the company on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference—	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$972,800.64	$928,519.52	$44,281.12	
Freight	3,986,427.47	3,601,014.97	385,412.50	
Mail	156,756.11	134,240.30	22,515.81	
Express	125,723.71	116,974.54	8,749.17	
Miscellaneous	[illegible]	61,924.43		[illegible]
Total	5,295,245.85	4,842,673.76	452,572.09	
EXPENSES.				
Maintenance of way and structures	1,569,534.58	1,469,840.16	99,694.42	
Maintenance of equipment	937,947.78	725,788.31	212,159.47	
Conducting transportation	1,905,159.76	2,064,160.08		159,000.32
General expenses and taxes	229,664.20	221,829.98	7,834.22	
Total	4,642,306.32	4,481,618.53	160,687.79	
Net earnings	652,939.53	361,055.23	291,884.30	
Miles operated	818.55	818.55		
Earnings per mile	$6,469.05	$5,916.17	$552.88	
Expenses per mile	5,671.37	5,475.07	196.30	
Net earnings per mile	797.68	441.10	356.58	
Percentage of expenses to earnings	87.66	92.55		4.89

Revenue and expenditures.

REVENUE.

Earnings	$5,295,245.85	
Interest on bonds of other companies	6,219.62	
Interest on miscellaneous investments	1,833.55	
Receipts of the land department	29,824.12	
Total		$5,333,123.14

EXPENDITURES.

Operating expenses	4,642,306.32	
Interest on first-mortgage bonds	640,000.00	
Rental of Mojave division	218,133.00	
Expenses of the land department	14,999.41	
Miscellaneous deductions	27,000.00	
Total		5,542,438.73
Deficit		209,315.59

General balance sheet.

ASSETS.

Cost of road, fixtures, and equipment	$22,267,450.61	
Fuel, material, and stores on hand	672,765.33	
Cash on hand	149,581.58	
Stocks and bonds	74,500.00	
Prepaid insurance premium	3,544.23	
Bills receivable	1,590.00	
Accounts receivable	344,104.04	
Due from other companies account traffic	196,156.79	
Suspense accounts	8,380.66	
Total		$23,718,073.24

LIABILITIES.

First-mortgage bonds	16,000,000.00	
Interest on same, due and accrued	1,120,000.00	
Interest on same, accrued, not due	160,000.00	
Bills payable	898,144.43	
Accounts payable	63,000.50	
Pay rolls and vouchers	443,042.05	
Rolling stock replacement fund	63,727.93	
Accrued taxes not yet due	87,738.31	
Atlantic and Pacific Railroad Company coupon account	480.00	
Atchison, Topeka and Santa Fe Railway Company	1,803,066.00	
Capital stock	4,000,000.00	
Total		24,639,199.22
Deficit		921,125.98

CHICAGO AND NORTHWESTERN RAILWAY COMPANY.

This company was incorporated June 7, 1859, as the successor of the Chicago, St. Paul and Fond du Lac Railroad Company, and its entire main line was opened to public business on September 1, 1859. By consolidations formed at various times the lines of the following companies were acquired:

Dixon, Rockford and Kenosha Railway.
Galena and Chicago Union Railroad.
Peninsula Railroad.
Beloit and Madison Railroad.
Baraboo Air Line Railroad.
La Crosse, Trempeleau and Prescott Railroad.
Menominee River Railroad.
Escanaba and Lake Superior Railway.
Elgin and State Line Railway.
Chicago, Milwaukee and Northwestern Railway.

The company has also acquired by purchase the property and franchises of the following companies:

Galesville and Mississippi River Railroad.
Rock River Railroad.
Chicago, Iowa and Nebraska Railroad.
Cedar Rapids and Missouri River Railroad.
Maple River Railroad.
Stanwood and Tipton Railway.
Iowa Midland Railway.
Ottumwa, Cedar Falls and St. Paul Railway.
Iowa Southwestern Railway.
Des Moines and Minneapolis Railroad.

Maple Valley Railway.
Janesville and Evansville Railway.
Sioux Valley Railway.
Iowa Railway Coal and Manufacturing Company.
Linn County Railway.
Sycamore and Cortland Railroad.
Northern Illinois Railway.
Lake Geneva and State Line Railway.
Iron River Railway.
Iron Range Railway.
Toledo and Northwestern Railway.
Junction Railway.
Paint River Railway.
Milwaukee, Lake Shore and Western Railway.
Wisconsin Northern Railway.

The following-named companies are controlled by the Chicago and Northwestern Railway Company by ownership of capital stock, and their operations and accounts are included in the report to this office:

Dakota Central Railway.
Princeton and Western Railway.
Winona and St. Paul Railroad.
Boyer Valley Railway.
Minnesota and Iowa Railway.
Boone County Railway.
Mankato and New Ulm Railway.
Florence County Railway.

The company also operates under lease the St. Paul and Eastern Grand Trunk Railway, owns the entire capital stock of the Fremont, Elkhorn and Missouri Valley Railroad Company, and has a controlling interest in the Sioux City and Pacific and the Chicago, St. Paul, Minneapolis and Omaha Railway companies, but the operations of the last two companies are reported separately to this office.

The number of acres of land granted to aid in the construction of the roads forming part of the system was 7,642,821.19. Winona, Minn., and Big Sioux River, near Watertown Station; Cedar Rapids, Iowa, to transfer grounds, Union Pacific Railway; and Lyons, Iowa, to Clinton, Iowa, are the land-grant termini.

The records of the General Land Office show that to June 30, 1899, of the foregoing grants, land had been patented as follows:

	Acres.
Cedar Rapids and Missouri River	1,055,513.78
Chicago, St. Paul, Minneapolis and Omaha	2,170,946.95
St. Paul and Sioux City	1,123,578.55
Sioux City and St. Paul	407,910.21
Sioux City and Pacific	41,925.46
Winona and St. Peter	1,678,618.06
Chicago and Northwestern	1,064,406.35
Total	7,542,899.36

The records of the General Land Office also show that 125,000 acres of railroad indemnity lands located in Wisconsin belonging to the Chicago, St. Paul, Minneapolis and Omaha Railway Company had been restored, and that on the recommendation of the Commissioner, affirmed by the Secretary of the Interior, 26,017.33 acres, located in Iowa, belonging to the Sioux City and St. Paul Railroad, were also restored to the public domain on September 12, 1887, and 21,979.85 acres in Iowa on February 27, 1896. The company still owns 622,700.87 acres.

The total cash receipts from all sales to date amounted to $9,599,409.88,

and there were outstanding on account of sales $625,551.67. The receipts from the land department during the year amounted to $494,518.62 and the expenditures to $72,713.94. The land sold at an average price per acre of $10.37.

The mileage of the system June 30, 1899, was 5,085.62. The road is practically all laid with steel; 4,088.05 miles of line are fenced.

During the year 28,252.81 tons of new steel rails were laid, at a cost of $509,494.65, and 1,328,178 new cross-ties were placed under the track, costing $459,525.13. The ballast consists of 240.24 miles of stone and slag, 3,227.99 miles of gravel, 236.96 miles of cinder, and 1,371.70 miles of earth and sand. The additions and betterments to railway during the year amounted to $4,248,221.68.

The rolling stock consists of 1,010 locomotives, 865 cars in passenger, 37,133 in the freight, and 78 in the road and miscellaneous departments, respectively, being an increase in cars over last year of 12 passenger, 1,500 freight, and 2 in the road and miscellaneous department.

The railway, including buildings, rolling stock, etc., is assessed in the States of Illinois, Iowa, and North and South Dakota, at $15,449,081; in Wisconsin, Michigan, and Minnesota no assessment is made, the tax being levied as a percentage of the gross earnings.

The following statements show the operations of the company for the year, and the general balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$8,202,934.87	$7,398,201.79	$804,733.08	
Freight	29,052,838.84	27,157,439.69	1,895,399.15	
Mail	899,556.01	888,301.44	11,254.57	
Express	571,881.07	567,429.95	4,451.12	
Miscellaneous	327,742.40	309,012.87	18,729.53	
Total	39,054,953.19	36,320,385.74	2,734,567.45	
EXPENSES.				
Maintenance of way and structures	4,743,008.31	4,894,884.19		$151,875.88
Maintenance of equipment	5,159,691.72	4,354,946.43	804,745.29	
Conducting transportation	13,682,669.20	13,012,147.80	670,521.40	
General expenses and taxes	1,957,542.29	1,857,356.72	100,185.57	
Total	25,542,911.52	24,119,335.14	1,423,576.38	
Net earnings	13,512,041.67	12,201,050.60	1,310,991.07	
Miles operated	5,085.62	5,085.62		
Earnings per mile	$7,679.48	$7,141.77	537.71	
Expenses per mile	5,022.57	4,742.65	279.92	
Net earnings per mile	2,656.91	2,399.12	257.79	
Percentage of expenses and earnings	65.40	66.40		1.00

Revenue and expenditures.

REVENUE.	
Earnings	$39,054,953.19
Dividends on stocks of other companies	1,249,689.00
Interest on miscellaneous investments	127,869.48
Receipts of the land department	603,896.71
Total	$41,036,408.38

Revenue and expenditures—Continued.

EXPENDITURES.		
Operating expenses	$25,542,911.52	
Interest on funded debt	6,932,704.80	
Interest paid in advance of maturity	185,438.07	
Rentals	21,319.52	
Sinking fund and guaranteed interest	231,760.48	
New construction	4,248,221.68	
New equipment	730,648.59	
Dividends Nos. 49, 50, common, and 98, 99, 100, and 101, preferred	3,523,270.00	
Expenses of the land department	350,952.18	
Total		$41,767,226.84
Deficit		730,818.46

General balance sheet.

ASSETS.		
Cost of road, fixtures, and equipment	$178,162,221.61	
Cost of property other than road	65,000.00	
Land contracts, land cash, etc	23,925.00	
Fuel, material, and stores on hand	1,786,674.06	
Cash on hand	4,056,419.89	
Company's stocks and bonds	3,547,982.61	
Other stocks and bonds, including bonds held by trustee as collateral for bonds of Chicago and Northwestern Railway Company issue	25,321,239.00	
Sinking fund with trustees (payments and accretions thereto)	8,987,677.04	
Bills receivable	139,216.53	
Accounts receivable	2,751,442.90	
Total		$224,841,798.64
LIABILITIES.		
First-mortgage bonds	$134,645,000.00	
Interest on same, due and unpaid	238,735.52	
Interest on same accrued, not due	1,605,481.79	
Dividends unpaid	10,822.75	
Dividends declared payable in July, 1899	1,369,722.50	
Accounts payable	30,750.00	
Pay rolls and vouchers	3,180,974.31	
Due other companies on account traffic	253,191.93	
Due other companies on account leases	6,000.00	
Sinking-fund installments paid	7,342,698.70	
Accretions to sinking fund	1,644,978.34	
Capital stock	66,492,320.53	
Total		216,820,676.37
Surplus		8,021,122.27

CHICAGO, BURLINGTON AND QUINCY RAILROAD COMPANY.

This company was incorporated by charter act passed February 14, 1855, and its entire main line was opened to public business on January 1, 1880. The former name of the company was Aurora Branch Railroad Company, afterwards changed to Chicago and Aurora Railroad Company. The following companies have been acquired at various times by consolidation, viz: Central Military Tract Railroad, Peoria and Oquawka Railroad (afterwards Peoria and Burlington Railroad), Northern Cross Railroad (afterwards Quincy and Chicago Railroad), Burlington and Missouri River Railroad, Burlington and Missouri Railroad, Burlington and Missouri River Railroad in Nebraska, and Republican Valley Railroad.

By act of Congress approved May 15, 1856, there were granted by the United States to the State of Iowa, to aid in the construction of this road between Burlington and the Missouri River at East Plattsmouth, Iowa, 948,643.66 acres of land, and by the act of July 2, 1864, to the Burlington and Missouri River Railroad in Nebraska, to aid in construction from Plattsmouth to Kearney Junction, Nebr., 2,441,600 acres; total, 3,390,243.66 acres of land.

The records of the General Land Office show that to June 30, 1899, there had been patented to the Burlington and Missouri River Railroad Company, in Iowa, 389,989.71 acres, and in Nebraska 2,374,090.77 acres; a total of 2,764,080.48 acres patented. The company reports that it has received by United States patent 2,373,870.77 acres of land. There have been disposed of for cash on time sales (including lands reclaimed by the United States), 2,375,498.81 acres. The total cash receipts from all sales to June 30, 1899, amounted to $11,324,185.09, and there were outstanding on account of time sales, principal and interest, $154,629.69. The receipts from the land department during the year amounted to $100,530.87, and the expenses to $15,834.46. The remaining lands are held at an average price of $4 per acre.

The company owns and operates 6,040.33 miles of track, and has trackage rights over 190.60 miles, making the total length operated 6,230.93 miles. There are 308.12 miles of second track, 23.55 miles of third track, and 1,287.48 miles of sidings.

New steel rails were laid during the year amounting to 41,858.94 tons, and there were placed under the track 440,679 pine and cedar and 882,254 oak cross-ties, costing from 32 to 50 cents each. The betterments to railway, etc., during the year, which were charged to equipment account, amounted to $2,148,343.60.

The rolling-stock equipment on June 30, 1899, consisted of 951 locomotives, 790 cars in the passenger service, 36,809 in the freight service, and 116 road and miscellaneous cars.

The following statements show the operations of the company for the year and the general balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$7,025,497.84	$6,002,832.59	$1,022,665.25	
Freight	22,736,132.15	23,536,891.09		$800,758.94
Mail	1,441,528.72	1,358,191.67	83,337.05	
Express	746,454.56	742,799.96	3,654.60	
Miscellaneous	1,213,916.07	912,496.84	301,419.23	
Total	33,163,529.34	32,553,212.15	610,317.19	
EXPENSES.				
Maintenance of way and structures	4,742,748.79	4,250,606.01	492,142.78	
Maintenance of equipment	3,677,978.17	4,754,195.30		1,076,217.13
Conducting transportation	10,265,516.67	9,787,193.14	478,323.53	
General expenses and taxes	2,356,815.00	2,153,889.78	202,925.22	
Total	21,043,058.63	20,945,884.23	97,174.40	
Net earnings	12,120,470.71	11,607,327.92	513,142.79	
Miles operated	6,230.93	5,859.70	371.23	
Earnings per mile	$5,322.40	$5,555.44		$233.04
Expenses per mile	3,377.19	3,574.56		197.37
Net earnings per mile	1,945.21	1,980.88		35.67
Percentage of expenses to earnings	63.45	64.34		.89

Revenue and expenditures.

REVENUE.

Earnings	$33,163,529.34	
Dividends on stocks	722,843.00	
Interest on bonds	912,373.14	
Interest on miscellaneous investments	271,030.14	
Receipts of the land department	105,863.78	
Total		$35,175,639.40

EXPENDITURES.

Operating expenses and taxes	21,043,058.63	
Interest on fund debt	6,690,527.21	
Rents	220,780.49	
Other deductions from income	523,754.94	
Dividends	5,238,370.50	
Expenses of the land department	21,167.37	
Total		33,737,659.14
Surplus		1,437,980.26

General balance sheet.

ASSETS.

Cost of road, fixtures, and equipment	$226,752,657.62	
Cost of real estate	305,826.96	
Fuel, material, and stores on hand	1,981,326.22	
Cash on hand and current assets	10,566,306.55	
Stocks and bonds	35,902,012.45	
Miscellaneous investments	3,123,576.36	
Sinking funds in hands of trustees	12,582,097.82	
Total		$291,213,803.98

LIABILITIES.

Bonds	126,437,700.00	
Credit by interest on same accrued, not due	175,859.12	
Bills and accounts payable	4,163,712.36	
Sinking funds	19,277,293.74	
Renewal fund	10,000,000.00	
Subscriptions under circular of April 20, 1899	9,533,000.00	
Current accounts (balance)	1,089,126.73	
Income account	13,866,075.55	
Capital stock	93,725,400.00	
Total		277,916,449.26
Surplus		13,297,354.72

CHICAGO, MILWAUKEE AND ST. PAUL RAILWAY COMPANY.

This company has not submitted a report of its operations on form prescribed by this office.

The company was originally organized May 5, 1863, as the Milwaukee and St. Paul Railway Company, and on February 14, 1874, its name was changed, under legislative authority, to Chicago, Milwaukee and St. Paul Railway Company. The company has acquired by purchase at various times, among others, the following railroads, viz: McGregor and Missouri River Railroad, Minnesota Central Railroad, Hastings and Dakota Railroad, and the Southern Minnesota Railroad, all of which were aided in construction by grants of Government lands.

By acts of Congress approved March 3, 1857, May 12, 1864, and July 4, 1866, lands were granted by the United States through the States of Iowa and Minnesota, as follows:

	Acres.
McGregor and Missouri River	1,536,000.00
Minnesota Central	643,403.00
Hastings and Dakota	550,000.00
Southern Minnesota	794,619.45
Total	3,524,022.45

The records of the General Land Office show that, to June 30, 1899, there had been patented to the—

	Acres.
Chicago, Milwaukee and St. Paul } McGregor and Missouri River	325,285.89
Minnesota Central	179,774.29
Hastings and Dakota	364,628.01
Southern Minnesota	546,284.69
Total	1,415,972.88

St. Paul, via Mendota or St. Paul Junction, Faribault, Austin, and Lyle, Minn.; Minneapolis, via same route and Lyle, Minn.; Calmar and Sheldon, Iowa; junction with Chicago, St. Paul, Minneapolis and St. Paul and Sioux City division; Hastings, Minn., and Ortonville, at western boundary of State; Mississippi River (La Crescent) opposite La Crosse, Wis., and Houston, Minn., and Airlie, on western boundary of Minnesota, are the land-grand termini.

The company's report to its stockholders for the year ended June 30, 1899, a copy of which has been furnished this office, gives no information concerning its lands. The following statistics have been compiled from the above report: The company owns solely 7,876.84 miles; owns jointly with other companies 67.35, and uses under contract 62.12 miles, making the total operated 8,006.31 miles, including sidings, second and third tracks. New steel rails to the amount of 25,494 tons were laid during the year, and 1,340,924 cross-ties were placed in the track.

The equipment in service on June 30, 1899, consisted of 806 locomotives, 768 cars in passenger service, 33,216 in the freight, and 586 in the road and miscellaneous service. The company also owns the following narrow-gauge equipment: Seven locomotives, 4 passenger cars, 308 freight, and 5 caboose cars.

The operations for the year and the company's balance sheet on June 30, 1899, are shown by the following statements:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$6,778,921.20	$5,986,840.18	$792,081.02	
Freight	28,773,222.43	25,468,851.72	3,304,370.71	
Mail, express, etc	2,758,488.86	2,733,971.78	24,517.08	
Total	38,310,632.49	34,189,663.68	4,120,968.81	

Comparative statement of the earnings and expenses—Continued.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EXPENSES.				
Maintenance of way and structures	$5,100,168.80	$4,642,275.15	$457,893.65	
Maintenance of equipment	3,455,150.00	2,983,522.76	516,627.29	
Conducting transportation	10,090,268.21	9,390,370.07	699,898.14	
General expenses and taxes	5,337,248.82	4,250,397.69	1,086,851.13	
Total	23,962,836.82	21,201,566.61	2,761,270.21	
Net earnings	14,347,795.67	12,988,097.07	1,359,698.60	
Miles operated	6,153.72	6,153.83		0.11
Earnings per mile	$6,225.61	$5,555.83	$669.78	
Expenses per mile	3,894.04	3,445.26	448.78	
Net earnings per mile	2,331.57	2,110.57	121.00	
Percentage of expenses to earnings	62.55	62.01	.54	

Revenue and expenditures.

REVENUE.

Earnings	$38,310,632.49	
Income from other sources	117,410.85	
Total		$38,428,043.34

EXPENDITURES.

Operating expenses, income taxes	23,962,836.82	
Interest accrued on funded debt	6,890,119.69	
Dividends payable April 20, 1899	2,333,601.50	
Total		33,186,558.01
Surplus		5,241,485.33

General balance sheet.

ASSETS.

Cost of road and equipment	$218,506,634.82	
Bonds, stock, etc., of other companies	651,486.75	
Cash and bonds held in trust	589,565.13	
New England Trust Company, trustee for sinking funds	288.89	
Farmers' Loan and Trust Company, trustee	409.08	
Depositaries of renewal fund	2,964,757.67	
Insurance department	10,000.00	
Bonds purchased for sinking funds	193,373.75	
Company's bonds owned by company	8,596,000.00	
Company's stock held by company	4,700.00	
Fuel and material	2,467,793.88	
Due from agents and conductors	374,314.54	
Due from other companies	382,538.87	
Due from United States Government	306,316.21	
Miscellaneous balances	723,144.78	
Cash on hand	6,377,491.81	
Total		$242,148,816.18

General balance sheet—Continued.

LIABILITIES.

Funded debt	$36,226,500.00	
Wisconsin Valley Division sinking fund	229.40	
Dubuque Division sinking fund	589,624.62	
Sinking fund, income convertible bonds	36,090.00	
Renewal and improvement fund	2,803,132.86	
Replacement fund, rolling stock	298,520.00	
Pay rolls and vouchers	2,388,985.31	
Due other companies	217,310.09	
Miscellaneous balances	935,860.81	
Dividends unclaimed	52,544.58	
Interest coupons not presented	40,191.00	
Interest accrued not yet payable	3,260,956.10	
Capital stock	82,519,000.00	
Total		$229,368,944.77
Surplus		12,779,871.41

CHICAGO, ROCK ISLAND AND PACIFIC RAILWAY COMPANY.

This company has failed to submit a report of its operations in the form required by this Bureau for the year ended June 30, 1899.

By act of Congress approved May 15, 1856, there were granted by the United States, through the State of Iowa, to the Mississippi and Missouri Railroad Company, afterwards consolidated with the Chicago, Rock Island and Pacific, 1,261,181.60 acres of land. Davenport, Iowa, and the transfer grounds, Union Pacific Railway, are the land-grant termini. The records of the General Land Office show that to June 30, 1899, there had been patented to the company by the Government 608,941.68 acres of land.

This company has furnished this office with a copy of the report of its directors to the stockholders for the year ended March 31, 1899, from which the information and statements given herewith were obtained.

The sales of lands during the company's fiscal year, to which title is perfect, amounted to 330.80 acres, for a consideration of $4,795. Quit-claims were made for 549.70 acres, for which $445 were received, and rent and interest were collected amounting to $1,631.26. The bills receivable at the end of the year amounted to $14,988.99. The lands unsold, to which title is undisputed (not including town lots), were 701 acres. Taxes paid on lands unsold January 1 amounted to $618.24.

The company owns 2,928.62 miles of road, leases 352.70, and has trackage rights over 338.05 miles, making the total over which trains are operated 3,619.37 miles. During the year additional second track, amounting to 34.77 miles, and 13.52 miles of siding were constructed. Bridges aggregating 2.74 miles were replaced by permanent structures or filled with earth, and depots were built at Englewood, Normal Park, and Midlothian, Ill., and a boiler house and shop at Herington, Kans. Work in continuing the elevation of the tracks in Chicago, in compliance with a city ordinance, cost this company $367,490.12.

The equipment was improved by the addition of 16 locomotives, 4 passenger, and 769 box freight and coal cars, to take the place of old and worn-out rolling stock, and in addition the equipment has been increased by the purchase of 512 box freight cars.

The following statement shows the operations for the year, and the company's financial condition on March 31, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	March 31, 1899.	March 31, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$5,052,581.43	$4,776,817.18	$275,764.25	
Freight	14,351,655.97	13,835,995.09	515,660.88	
Mail	596,036.13	567,225.72	28,810.41	
Express	409,200.00	409,200.00		
Miscellaneous	257,441.29	419,345.60		$161,904.31
Total	20,667,914.82	19,548,583.59	1,119,331.23	
Operating expenses and taxes	13,676,110.59	12,595,965.95	1,080,144.64	
Net earnings	6,991,804.23	6,952,617.64	39,186.59	
Miles operated	3,619.37	3,568.15	51.22	
Earnings per mile	$5,710.36	$5,478.64	$231.72	
Expenses per mile	3,778.59	3,530.11	248.48	
Net earnings per mile	1,931.77	1,948.53		16.76
Percentage of expenses to earnings	66.17	64.43	1.74	

Revenue and expenditures.

REVENUE.		
Earnings	$20,667,914.82	
Income from loans and investments	704,467.77	
Net receipts from land department	6,000.00	
Total		$21,378,382.59
EXPENDITURES.		
Operating expenses	12,762,707.65	
Taxes	913,402.94	
Interest on bonded debt	3,084,615.76	
Rentals of leased lines	716,802.27	
Rentals and tolls Missouri River bridges	127,736.94	
Dividend on capital stock, 4 per cent	1,960,389.00	
Total		19,565,654.56
Surplus		1,812,728.03

General balance sheet.

ASSETS.		
Cost of road and equipment	$105,099,541.04	
Cost of track elevation in Chicago	1,157,144.61	
Cost of railroad bridge at Rock Island	964,128.96	
Capital stock and bonds of connecting roads	4,606,301.31	
Loans and other investments	2,351,399.01	
Advances made to Chicago, Rock Island and Texas Railway Company as per agreement dated January 2, 1893	1,956,961.43	
Advances made to same account of construction Jacksboro extension	228,831.15	
Chicago, Rock Island and Pacific Railway Company's capital stock on hand	78,580.00	
Company's 6 per cent mortgage bonds on hand	400,000.00	
Fuel, material, etc., on hand	519,997.58	
Due from Post-Office Department	152,126.48	
Accounts receivable	938,523.49	
Cash and cash assets	5,671,872.00	
Total		$124,125,407.06

General balance sheet—Continued.

LIABILITIES.

Six per cent mortgage coupon bonds	$4,520,000.00	
Six per cent mortgage registered bonds	7,980,000.00	
Four per cent general gold mortgage coupon bonds	43,974,000.00	
Four per cent general gold mortgage registered bonds	4,607,000.00	
Chicago and Southwestern Railway bonds guaranteed	5,000,000.00	
Addition and improvement account	3,222,692.25	
Accounts payable	1,212,042.24	
Fractional scrip outstanding convertible into stock	11,700.00	
Capital stock issued	49,988,300.00	
Total		$120,515,734.49
Surplus		3,609,672.57

CHICAGO, ST. PAUL, MINNEAPOLIS AND OMAHA RAILWAY COMPANY.

This company was formed on May 25, 1880, by the consolidation of the Chicago, St. Paul and Minneapolis and the North Wisconsin Railway companies. The company is now controlled by the Chicago and Northwestern Railway Company, which owns a majority of the capital stock.

The company received, through grants of land to companies now belonging to it, 2,173,706.43 acres. Hudson and Superior, Wis., and branch, Superior and Bayfield, Wis., are the land-grant termini. The records of the General Land Office show that land had been patented to June 30, 1899, as follows:

	Acres.
St. Croix and Lake Superior	1,357,240.24
La Crosse and Milwaukee	813,706.71

and also show that 125,000 acres of railroad-indemnity lands belonging to the Chicago, St. Paul, Minneapolis and Omaha Railway Company, located in Wisconsin, have been restored to the public domain.

The company reports that there had been acquired by patent from the Government to date 2,163,082.79 acres, of which there had been disposed of for cash and on time contracts 1,817,261.59. Contracts had been canceled for 24,264.39 acres, leaving the number of acres still owned by the company 370,085.59. The total cash receipts from all sales to date amounted to $8,129,021.92, and there were outstanding, on account of time contracts, $84,125.46. The cash receipts from the land department during the year amounted to $65,096.75 and the expenses to $34,041.07, the average price per acre during the year being $2.44, and the average price now asked, $2.50.

The company owns 1,422.64 miles of road and leases 69.59 miles, making a total of 1,492.23 miles operated. There are 23.79 miles of double track and 442.30 miles of siding, of which 11.59 were built during the past year. Steel rails are laid on 1,423.09 miles of track and iron on 69.14. The ballast consists of stone, 27.85 miles; gravel, 814.40; cinder, 120.51, and earth, 460.40 miles. There are 2,086 miles of barbed-wire and 326 miles of other fencing. During the year there were laid 4,957 tons of new steel rails, costing $95,025.69, and 339,223 new cross-ties were placed under the track, at a cost of $129,069.47.

The equipment at the end of the year consisted of 269 locomotives, and 204 cars in the passenger service, 9,902 in the freight service, and 326 road and miscellaneous cars.

The additions and betterments to roadway, etc., amounted to $102,294.43.

The following statements show the results of the company's operations for the year, and its general balance sheet for June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$2,126,987.78	$1,786,682.69	$340,305.09	
Freight	7,833,314.54	6,712,595.30	1,120,719.24	
Mail	216,325.71	213,619.27	2,706.44	
Express	161,223.56	158,301.76	2,921.80	
Miscellaneous	138,645.39	126,664.79	11,980.60	
Total	10,476,496.98	8,997,863.81	1,478,633.17	
EXPENSES.				
Maintenance of way and structures	1,757,738.21	1,411,535.09	346,203.12	
Maintenance of equipment	1,308,622.47	1,280,276.59	28,345.88	
Conducting transportation	3,037,864.88	2,805,218.13	232,646.75	
General expenses and taxes	593,932.24	533,898.78	60,033.46	
Total	6,698,157.80	6,030,928.59	667,229.21	
Net earnings	3,778,339.18	2,966,935.22	811,403.96	
Miles operated	1,492.23	1,492.23		
Earnings per mile	$7,020.69	$6,029.81	$990.88	
Expenses per mile	4,488.69	4,041.54	447.15	
Net earnings per mile	2,532.00	1,988.27	543.73	
Percentage of expenses to earnings	63.93	67.02		$3.09

Revenue and expenditures.

REVENUE.		
Earnings	$10,476,496.98	
Dividends on stocks of other companies	73,560.00	
Interest on bonds of other companies	5,650.00	
Interest on miscellaneous investments	48,978.87	
Receipts of the land department	65,096.75	
Total		$10,669,782.60
EXPENDITURES.		
Operating expenses and taxes	6,698,157.80	
Interest on first-mortgage bonds	1,448,246.00	
New construction	102,294.43	
Improvement fund	420,173.00	
Dividends	1,437,261.00	
Expenses of the land department	34,041.07	
Total		10,140,173.30
Surplus		529,609.30

General balance sheet.

ASSETS.

Cost of road, fixtures, and equipment	$56,554,650.09	
Fuel, material, and stores on hand	577,568.95	
Cash on hand	2,277,161.70	
Company's bonds and stocks	4,824,094.98	
Other bonds and stocks	1,753,450.00	
Miscellaneous investments	943,469.79	
Bills receivable	246.35	
Accounts receivable	398,824.06	
Due from United States Post-Office Department	54,485.56	
Total		$67,383,951.48

LIABILITIES.

First-mortgage bonds	26,235,800.00	
Interest on same due and accrued	74,122.00	
Interest on same accrued, not due	189,528.34	
Dividends unpaid	395,574.00	
Pay rolls and vouchers	690,949.98	
Due other companies on account of traffic	185,767.35	
Due other companies on account of leases	9,692.27	
Equipment fund	233,027.65	
Improvement fund	316,717.69	
Accrued taxes not yet due	250,980.03	
Capital stock	34,050,126.62	
Total		62,632,285.93
Surplus		4,751,665.55

CHOCTAW AND MEMPHIS RAILROAD COMPANY.

This company was chartered September 15, 1898, as the successor to the Little Rock and Memphis Railroad Company, whose property was sold under foreclosure October 25, 1898. The company took possession of the property on January 1, 1899. An extension is under construction from Little Rock to a connection with the Choctaw, Oklahoma and Gulf Railroad at the Indian Territory line. A lease of the road for ninety-five years has been made to the Choctaw, Oklahoma and Gulf Railroad Company, to take effect when the extension is completed.

By the acts of Congress approved February 9, 1853, and July 28, 1866, there were granted to the Memphis and Little Rock Railroad Company, through the State of Arkansas, 438,646 acres of land. The Mississippi River, opposite Memphis, and Argenta, opposite Little Rock, are the land-grant termini. The records of the General Land Office show that to June 30, 1899, there had been patented to the company 184,657.38 acres of land. The receipts from the land department during the year amounted to $2,100.44, and the expenses to $2,119.34, and there are outstanding on account of time sales $4,757.08. There were sold during the year 504.86 acres of land, and the company still owns 53,941.91 acres.

The main line of the road extends from Hopefield to Little Rock, Ark., a distance of 131.828 miles, and there are 15.1068 miles of siding; total length of track, 146.1896 miles. The track is laid with steel rails for 106.551 miles, and for 25.277 with iron rails.

The rolling-stock equipment at the end of the year consisted of 16 locomotives, 17 cars in the passenger service, 256 in the freight, and 59 in the road-repair department, respectively.

The assessed valuation of the roadway, bridges, buildings, etc., was $719,119, and of the rolling stock and equipment $99,149.

The following statements show the operations of the company for the year and its general balance sheet on June 30, 1899.

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$96,864.05	$82,337.12	$14,526.93	
Freight	374,995.81	361,801.05	13,194.76	
Mail	8,905.16	17,321.96		$8,416.80
Express	6,282.37	5,690.44	591.93	
Miscellaneous	879.00	825.75	53.25	
Total	487,926.39	467,976.32	19,950.07	
EXPENSES.				
Maintenance of way and structures	91,192.70	114,907.54		23,714.84
Maintenance of equipment	52,082.99	49,837.45	2,245.54	
Conducting transportation	182,161.88	171,436.63	10,725.25	
General expenses and taxes	91,751.52	71,287.74	20,463.78	
Total	417,189.09	407,469.36	9,719.73	
Net earnings	70,737.30	60,506.96	10,630.34	
Miles operated	131.82	131.82		
Earnings per mile	$3,701.46	$3,550.11	[illegible]	
Expenses per mile	3,164.84	3,091.10	[illegible]	
Net earnings per mile	[illegible]	[illegible]	[illegible]	
Percentage of expenses to earnings	85.50	87.07		1.57

Revenue and expenditures.

REVENUE.		
Earnings	$487,926.39	
Receipts of the land department	2,286.54	
Total		$490,212.93
EXPENDITURES.		
Operating expenses	416,789.09	
Interest	972.00	
Loss on miscellaneous investments	10,551.87	
Expenses of the land department	2,119.34	
Total		430,432.30
Surplus		59,780.63

General balance sheet.

ASSETS.		
Land contracts, land cash, etc	$4,757.08	
Fuel, material, and stores on hand	28,197.75	
Cash on hand	138,065.70	
Accounts receivable	10,923.20	
Due from other cos. acct. traffic	40,860.99	
Total		$222,804.72
LIABILITIES.		
Interest on funded debt due and unpaid	36,833.37	
Bills payable	45,000.00	
Accounts payable	21,949.74	
Pay rolls and vouchers	21,427.85	
Due other cos. acct. traffic	5,639.93	
Land department	14,512.33	
Total		145,363.22

As the sale of this road is not yet completed, the bonds and stock are not all issued nor the cost of the road and fixtures stated by the company.

DUBUQUE AND SIOUX CITY RAILROAD COMPANY.

This company was organized in 1860 as the successor of the Dubuque and Pacific Railroad Company. By consolidation in 1888 the property of the Iowa Falls and Sioux City Railroad Company was acquired.

A controlling interest in the company is owned by the Illinois Central Railroad Company, and the road is now operated by that company under lease from January 1, 1895, to August 1, 1951.

By act of July 15, 1856, there were granted to the Dubuque and Pacific Railroad Company, through the State of Iowa, 1,226,163 acres of land. Dubuque, Iowa, and Sioux City, Iowa, are the land-grant termini. The records of the General Land Office show that to June 30, 1899, there had been patented to this company 605,488.58 acres, and to the Iowa Falls and Sioux City Railroad Company 683,023.80 acres.

The operating company furnishes a report of the main line from Dubuque to Sioux City, Iowa, that being the portion of the road which received a land grant. This report gives no details concerning the land department, for the reason that the lands had all been disposed of before the present operating company got possession of the railroad or the records, and there is no means of information as to the past transactions of the company's land department. The bills outstanding on account of time sales amounted, on July 1, 1899, to $4,410, and the interest received on them during the year was $216.

The report gives no details as to the mileage or characteristics of the road. The additions and betterments to railway amounted to $903.24. The rolling stock owned by the company consists of 55 locomotives, 45 cars in the passenger and 206 in the freight departments, respectively, there having been no additions during the year.

The following statements show the operations of the year and the balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$536,883.90	$494,977.40	$41,906.50	
Freight	1,862,487.80	1,590,420.75	272,067.05	
Mail	71,558.94	71,590.80		$31.86
Express	46,800.00	47,025.00		225.00
Miscellaneous	42,908.67	45,347.29		2,438.62
Total	2,560,639.31	2,249,361.24	311,278.07	
EXPENSES.				
Maintenance of way and structures	285,068.65	202,899.21	82,169.44	
Maintenance of equipment	206,577.19	192,711.15	13,866.04	
Conducting transportation	698,525.56	642,671.38	55,854.28	
General expenses and taxes	136,419.82	130,611.31	5,808.51	
Total	1,326,591.22	1,168,893.05	157,698.17	
Net earnings	1,234,048.09	1,080,468.19	153,579.90	
Miles operated	326.58	326.58		
Earnings per mile	$7,840.77	$6,887.62	$953.15	
Expenses for mile	4,062.07	3,579.19	482.88	
Net earnings per mile	3,778.70	3,308.43	470.27	
Percentage of expenses to earnings	51.81	51.96		.15

Revenue and expenditures for year.

REVENUE.		
Earnings	$2,560,639.31	
Interest on bonds	32,235.00	
Interest on land notes	216.00	
Total		$2,593,090.31
EXPENDITURES.		
Operating expenses	1,326,591.22	
Interest on first mortgage bonds	413,000.00	
Sinking fund requirements	46,733.60	
Dividends	299,988.00	
Net loss on branch lines	241,099.94	
	2,327,412.76	
Less credit to new construction	8,294.33	
Total		2,319,118.43
Surplus		273,971.88

General balance sheet.

ASSETS.		
Cost of road, fixtures, and equipment	$21,241,775.78	
Land contracts	4,410.00	
Company's stocks and bonds	523,073.13	
Other stocks and bonds	5.80	
Bills receivable	243.82	
Accounts receivable	923,081.67	
Total		$22,692,590.20
LIABILITIES.		
First-mortgage bonds	12,155,000.00	
Interest on same, due and accrued	3,237.50	
Interest on same accrued, not due	90,416.67	
Dividends unpaid	1,803.05	
Pay rolls, vouchers, and accounts	713.49	
Capital stock	9,999,600.00	
Total		22,250,770.71
Surplus		441,819.49

HANNIBAL AND ST. JOSEPH RAILROAD COMPANY.

This company was incorporated on February 16, 1847, and its main line was opened to public business February 15, 1859. It was consolidated March 1, 1867, with the Quincy and Palmyra Railroad Company, and on February 14, 1870, with the Kansas City and Cameron Railroad Company. Practically all of the common and preferred stock of this company is owned by the Chicago, Burlington and Quincy Railroad Company, and the road is now operated as part of that system.

By act of Congress approved June 10, 1852, the company received through the State of Missouri a grant of 781,944.83 acres of land, Hannibal and St. Joseph, Mo., being the land-grant termini. The records of the General Land Office show that to June 30, 1899, there had been patented to the company 611,323.35 acres. The company reports that it has acquired, by patent from the United States, 603,186.34 acres, and that it has disposed of for cash and on time contracts 601,828.14 acres, leaving the balance still owned by the company 1,358.20 acres. The cash receipts from all sales during the year amounted to $1,985.42 and the expenses to $1,002.72. There are now

outstanding on account of time sales, principal, and interest, $2,112.39. The average price now asked for land is $2.75 per acre.

The main line of road extends from Hannibal to St. Joseph, Mo., 206.52 miles, in addition to which the company owns 82.70 miles of branch lines and has trackage rights over 8.10 miles, making the total length of road operated 297.32 miles. There are 97.51 miles of sidings. Steel rails are laid on 360.39 miles, and there are 538.95 miles of fencing. During the year 5,285 tons of new steel rails were laid, at a cost of $100,467.85, and 147,183 new oak cross-ties were placed in the track, costing, approximately, $53,721.80.

The operations for the year, and the company's balance sheet on June 30, 1899, are shown in the following statements:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$718,008.44	$637,856.28	$80,152.16	
Freight	1,710,244.98	1,914,312.33		$204,067.35
Mail	84,535.20	84,530.01	5.19	
Express	58,800.00	58,800.00		
Miscellaneous	437,013.39	253,660.43	183,352.96	
Total	3,008,602.01	2,949,159.05	59,442.96	
EXPENSES.				
Maintenance of way and structures	376,812.83	247,843,28	128,969.57	
Maintenance of equipment	441,791.54	593,748.58		151,957.04
Conducting transportation	1,155,450.46	1,053,897.62	101,552.84	
General expenses	110,614.20	82,528.90	28,085.30	
Total	2,084,669.03	1,978,018.38	106,650.65	
Net earnings	923,932.98	971,140.67		47,207.69
Miles operated	297.32	297.32		
Earnings per mile	$10,119.07	$9,919.14	$199.93	
Expenses per mile	7,011.53	6,652.82	358.71	
Net earnings per mile	3,107.54	3,266.32		158.78
Percentage of expenses to earnings	69.29	66.73	2.56	

Revenue and expenditures.

REVENUE.		
Earnings	$3,008,602.01	
Interest on bank balances, etc	2,702.88	
Receipts of the land department	1,985.42	
Total		$3,013,290.31
EXPENDITURES.		
Operating expenses	2,084,669.03	
Interest on first-mortgage bonds	480,000.00	
Interest on other funded debt	5,400.00	
Interest on other debt	250.00	
Internal revenue taxes	3,072.82	
Other taxes	38,872.78	
Rents	12,250.97	
Dividends	355,810.00	
Expenses of the land department	1,002.72	
Total		2,981,328.32
Surplus		31,961.99

General balance sheet.

ASSETS.

Cost of road and fixtures	$20,380,884.64	
Cost of equipment	3,663,899.61	
Fuel, material, and stores on hand	277,783.64	
Cash on hand	263,685.42	
Other cash assets	12,922.14	
Stocks and bonds	84,800.00	
Advances	70.00	
Accounts receivable	749,946.61	
Total		$25,433,992.06

LIABILITIES.

First-mortgage bonds	8,000,000.00	
Other funded debt	90,000.00	
Dividends unpaid	1,216.15	
Bills payable	359,585.00	
Accounts payable	556,296.11	
Pay rolls and vouchers	122,419.01	
Due other companies account traffic	256,781.92	
Due other companies account leases	3,000.00	
Accounts not liabilities	61,850.06	
Capital stock	14,251,969.00	
Total		23,703,117.25
Surplus		1,730,874.81

MISSOURI, KANSAS AND TEXAS RAILWAY COMPANY.

This company was organized April 7, 1870, by the consolidation of the Union Pacific, Southern Branch, chartered September 30, 1865; the Tebo and Neosho, chartered June 18, 1870; the Labette and Sedalia, chartered May 7, 1878; and the Neosho Valley and Holden, whose road was opened in 1871.

The St. Louis and Santa Fe Railroad, from Holden, Mo., to Paola, Kans., 53.52 miles, was acquired by purchase on foreclosure April 29, 1872, and was leased to the Missouri Pacific Railway Company. The Hannibal and Central Missouri, from Hannibal to Moberly, Mo., 72.50 miles, was bought in 1873.

From 1880 to 1888 the road and property of this company were leased to the Missouri Pacific Railway Company, and on the latter date receivers were appointed. The company was reorganized without foreclosure in 1890, and in 1891 the receivers were discharged and the property delivered to the company on July 1 of that year.

By the act of Congress approved March 3, 1863, there were granted to the Union Pacific, Southern Branch, through the State of Kansas, 1,520,000 acres of land. Junction City, Kans., and the southern boundary of Kansas, and Fort Smith, when the Indian title is extinguished, are the land grant termini. The records of the General Land Office show that to June 30, 1899, there had been patented to the company 704,960.92 acres of land in the State of Kansas. The records of the General Land Office also show that 5,700 acres of railroad indemnity lands, located in Kansas, have been restored to the public domain.

The company owns 1,852.09 miles of road and leases 356.12 miles,

making the total length of road operated 2,298.12 miles; there are also 400.25 miles of side track. With the exception of 37.27 miles, the entire track is laid with steel rails of from 52 to 75 pounds per yard in weight. There are 2,450 miles of fencing, nearly all wire.

During the year 639,022 first-class and 65,218 second-class oak cross-ties and 485 sets of switch ties were placed in the track, at a total cost of $250,530.

The rolling stock on June 30, 1899, consisted of 257 locomotives, all of which are equipped with air brakes; 177 cars in the passenger service, all equipped with air brakes and automatic couplers; 8,512 cars in the freight service, of which 5,579 are fitted with air brakes and 4,952 with automatic couplers; and 1,036 cars in the road and miscellaneous service, of which 118 are fitted with automatic couplers.

The express business is transacted by the American Express Company. Wagner sleeping cars are run over the line on a mileage basis. The telegraph service is performed by the Western Union Telegraph Company. Sundry contracts for the use of tracks have been entered into.

The following statements show the operations for the year and the general balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	July 30, 1899.	July 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$1,943,123.26	$1,919,556.24	$23,567.02	
Freight	9,394,921.87	9,558,999.95		$164,078.08
Mail	325,888.48	321,486.19	4,402.29	
Express	199,130.19	197,427.97	1,702.22	
Miscellaneous	67,270.30	49,766.45	17,503.85	
Total	11,930,334.10	12,047,236.80		116,902.70
EXPENSES.				
Maintenance of way and structures	1,322,650.11	1,324,051.56		1,401.45
Maintenance of equipment	934,990.50	900,506.27	34,484.23	
Conducting transportation	4,809,313.76	5,019,370.69		210,056.99
General expenses and taxes	675,705.82	665,299.68	10,406.14	
Total	7,742,660.13	7,909,228.20		166,568.07
Net earnings	4,187,673.97	4,138,008.60	49,665.37	
Miles operated	2,208.21	2,197.21	11.00	
Earnings per mile	$5,402.72	$5,482.97		$80.25
Expenses per mile	3,506.31	3,599.66		93.35
Net earnings per mile	1,896.41	1,883.31	$13.10	
Percentage of expenses to earnings	64.89	65.65		.76

Revenue and expenditures.

REVENUE.

Earnings	$11,930,334.10	
Dividends on stocks of other companies	38,000.00	
Interest on bonds of other companies	2,500.00	
Miscellaneous	21,087.60	
Total		$11,991,921.70

Revenues and expenditures—Continued.

EXPENDITURES.

Operating expenses	$7,742,660.13	
Interest on first mortgage bonds	2,138,593.34	
Interest on other funded debt	825,000.00	
Interest on bonds guaranteed in lieu of rental	160,000.00	
Rental of tracks and terminals	306,817.28	
Taxes	270,167.68	
Total		$11,443,238.43
Surplus		548,683.27

General balance sheet.

ASSETS.

Cost of road and fixtures	$140,504,065.40	
Cost of equipment	634,503.48	
Fuel, material, and stores on hand	454,734.06	
Cash on hand	712,933.93	
Stocks and bonds	787,479.96	
Real estate	12,874.50	
Accounts receivable	590,558.74	
Total		$143,697,150.07

LIABILITIES.

First mortgage bonds	50,243,000.00	
Interest on same due and not called for	134,200.00	
Interest on same accrued not due	334,867.47	
Other funded debt	20,500,000.00	
Interest on same due and not called for	36,180.00	
Interest on same accrued not due	339,583.34	
Vouchers	1,079,662.89	
Pay rolls	403,514.80	
Due other companies account traffic	3,514.82	
Street's Western Stable Car Line extended until 1905	213,243.75	
Equipment notes extended until August, 1900	171,940.00	
Taxes accrued not due	130,146.51	
Improvement fund	300,033.35	
Sundry accounts	10,404.00	
Capital stock	68,462,500.00	
Total		142,362,790.93
Surplus		1,334,359.14

MISSOURI PACIFIC RAILWAY COMPANY.

This company was organized under the general laws of the States of Missouri, Kansas, and Nebraska by articles of agreement and consolidation filed in the office of the secretary of the State of Missouri August 12, 1880, and with the secretary of the State of Kansas October 8, 1880. It is the successor of the Pacific Railroad Company of Missouri, which was sold under foreclosure in 1876 and the property conveyed to the present company.

In 1881 this company acquired the St. Louis, Iron Mountain and Southern Railway, issuing three shares of its own stock for every four shares of the Iron Mountain. The company also leased the Central

Branch Union Pacific Railroad and the Little Rock and Fort Smith Railway. The reports of operations of these three roads are not included in the report of the Missouri Pacific Railway Company, but will be found under the respective heads.

This company has no land department of its own. A grant of 1,161,244 acres of land was made to the Pacific Railroad Company to aid in the construction of the Southwest Branch. This branch was afterwards taken possession of by the State and sold to the South Pacific Railroad Company, which in turn sold to the Atlantic and Pacific, and on September 8, 1876, it was again sold to the St. Louis and San Francisco Railway Company (which see). The land-grant termini are St. Louis and Pacific, Mo.

The company reports on 1,259.98 miles of road owned and 252.95 leased, making the total length operated 1,512.93 miles. There are 33.10 miles of double track and 434.59 miles of sidings. All but 26.74 of track is laid with steel rails, and there are 2,155.85 miles of fencing.

During the year 9,577.34 tons of new steel rails were laid at a cost of $221,831.69, and 629,565 new oak cross-ties were placed under the track, costing $209,269.75. Additions and betterments are charged to operating expenses, and no separate improvement account is kept.

The rolling stock on June 30, 1899, consisted of 316 locomotives, 356 cars in the passenger service, 13,997 in the freight service, and 2,036 road and miscellaneous cars.

The assessed valuation of roadway, bridges, track, buildings, etc., for taxation, was $12,263,612.20, and of all rolling stock and equipment, $1,474,406.30.

The following statements show the operations of the company for the year and the general balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$1,996,605.64	$1,760,227.06	$226,378.58	
Freight	7,305,060.74	7,665,862.14		$360,801.40
Mail	480,154.92	470,212.07	9,942.85	
Express	163,248.86	160,601.71	2,647.15	
Miscellaneous	1,051,221.12	979,241.52	71,979.60	
Total	10,996,291.28	11,036,154.50		39,863.22
EXPENSES.				
Maintenance of way and structures	1,488,854.43	1,304,251.69	144,602.74	
Maintenance of equipment	1,644,929.66	1,620,672.73	24,256.93	
Conducting transportation	4,611,150.21	4,620,740.42		9,590.21
General expenses	244,669.56	201,809.15	42,860.41	
Total	7,989,603.86	7,747,473.99	242,129.87	
Net earnings	3,006,687.42	3,288,680.51		281,993.09
Miles operated	1,512.93	1,512.93		
Earnings per mile	$7,268.21	$7,294.55		$26.34
Expenses per mile	5,280.88	5,120.84	$160.04	
Net earnings per mile	1,987.33	2,173.71		186.38
Percentage of expenses to earnings	72.65	70.20	2.45	

Revenue and expenditures.

REVENUE.

Earnings	$10,996,291.28	
Dividends on stock of other companies	399,360.10	
Interest on bonds of other companies	21,587.50	
Profits on miscellaneous investments	316,045.56	
Branch lines surplus	292,730.31	
Total		$12,026,014.75

EXPENDITURES.

Operating expenses, rentals, and taxes	8,742,528.14	
Interest on funded debt	3,058,437.50	
Interest on other debt	106,091.87	
Sundry amounts	132,618.96	
Total		12,039,676.47
Deficit		13,661.72

General balance sheet.

ASSETS.

Cost of road, fixtures, and equipment	$51,771,507.58	
Real estate other than road	814,255.19	
Fuel, material, and stores on hand	1,072,502.23	
Cash on hand	818,752.09	
Stocks, bonds, and miscellaneous investments	56,679,192.86	
Accounts receivable	5,192,960.91	
Total		$116,349,170.86

LIABILITIES.

Funded debt	62,138,000.00	
Interest on same due and unpaid	121,433.75	
Interest on same accrued not due	843,980.20	
Bills and accounts payable	3,984,597.50	
Pay rolls and vouchers	2,330,362.60	
Capital stock	47,447,825.00	
Total		116,866,199.05
Deficit		517,028.19

NORTHERN PACIFIC RAILWAY COMPANY.

This company was chartered originally March 15, 1870, as the Superior and St. Croix Railroad Company, and changed its name in July, 1896, by resolution of stockholders and directors, to Northern Pacific Railway Company. This company succeeded to the rights, property, and franchises of the Northern Pacific Railroad Company, taking possession of the property on September 1, 1896.

The records of the General Land Office show that 8,946,400 acres of railroad indemnity lands, located in Wisconsin, Minnesota, Dakota, Montana, Idaho, Washington, and Oregon, have been restored to the public domain, and that by a decision of the Commissioner, dated Sep-

tember 13, 1886, affirmed by the Secretary of the Interior, 32,400 acres of the grant located in Washington have also been restored. Also, by order of January 22, 1896, there were restored in the State of Washington some 278,358 acres. By decision of July 9, 1896, the Secretary of the Interior established a new western terminal for the portion of the Northern Pacific Railroad grant declared forfeited by the act of September 29, 1890, which had the effect of adding to the lands already held to have been forfeited about 53,120 acres, which were restored to entry under instructions of August 20, 1896. By decision of August 27, 1896, the final eastern terminus of said grant was fixed at Duluth, Minn., which decision had the effect of restoring to entry all lands previously withdrawn for the company lying east of the terminal established pursuant thereto and approved by the Secretary December 24, 1896. The lands affected lie within the State of Minnesota and the State of Wisconsin, but the quantity has not been ascertained.

The records of the General Land Office show that to June 30, 1899, there had been patented to this company in the States of—

	Acres.
Minnesota	1,755,542.75
North Dakota	8,383,565.43
Oregon	158,482.25
Washington	6,903,562.80
Idaho	411,515.02
Montana	4,768,351.86
Total	22,381,020.11

All the lands unsold of the Northern Pacific Railroad Company lying west of the Missouri River were purchased by this company under the reorganization, the aggregate price paid therefor being $5,605,200. The company, in its last report, states that great prosperity has been evidenced by the sales of these lands, the acreage disposed of being nearly 50 per cent more and the number of individual purchasers greater than in any previous year in the history of the property. The lands of the old company lying east of the Missouri River are in the hands of the receivers, but it is hoped by the new company that its interests in these lands may be realized before long. This company asserts against these lands about 95 per cent of the indebtedness represented by the creditors of the old company.

The company reports that it received during the year ended June 30, 1899, by United States patent, 325,946.16 acres of land; by patent from the State of Minnesota, 8,902.20 acres, and by cancellation of contracts, 411,610.20 acres, making a total of 1,580,196.69 acres received since September 1, 1896, the date of reorganization. There had been disposed of during the year 1,033,269.59 acres. The total cash receipts from all sales, from September 1, 1896, to June 30, 1899, amounted to $7,642,429.96, and there were outstanding on the latter date, on account of time sales, $829,572.61.

There are 4,703.77 miles of track owned and 183.40 miles leased, making the total operated 4,887.17 miles; in addition there are 50.66 miles of double track and 858.20 miles of sidings. There are 1,937.11 miles of fencing. During the year 26,681.81 tons of new steel rails were laid, at a cost of $511,979.96, and 1,934,445 new cross-ties were placed in the track, at a cost of $477,613.43. The additions and betterments to railway, etc., charged to construction account amounted to

$530,111.08, and to income account to $2,105,507.08. Additions to rolling stock charged to equipment account amounted to $1,728,175.97, and to income account to $71,112.18. The equipment at the close of the year consisted of 570 locomotives, and 482 cars in the passenger department, 20,884 in the freight, and 2,221 in the miscellaneous departments, respectively.

The following statements show the operations for the year ended June 30, 1899, and the company's balance sheet on that date:

Comparative statement of earnings and expenses.

	Year ended.		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$5,050,355.60	$4,853,799.04	$196,556.56	
Freight	19,485,960.14	17,432,754.78	2,053,205.36	
Mail	657,033.90	615,067.65	41,966.25	
Express	413,730.24	362,988.90	50,741.34	
Miscellaneous	441,593.87	415,107.94	26,485.93	
Total	26,048,673.75	23,679,718.31	2,367,955.44	
EXPENSES.				
Maintenance of way and structures	3,548,793.26	3,137,504.05	411,289.21	
Maintenance of equipment	1,914,597.03	1,721,765.34	192,831.69	
Conducting transportation	6,060,034.38	5,572,645.06	487,389.32	
General expenses and taxes	1,576,160.90	1,346,256.46	229,904.44	
Total	13,099,585.57	11,778,170.91	1,321,414.66	
Net earnings	12,949,088.18	11,901,547.40	1,047,540.78	
Miles operated	4,887.17	4,824.45	62.72	
Earnings per mile	$5,330.01	$4,[illegible]72	$[illegible]29	
Expenses per mile	2,680.40	2,[illegible]22	77.18	
Net earnings per mile	2,649.61	2,630.50	19.11	
Percentage of expenses to earnings	50.29	49.74	.55	

Revenue and expenditures for year.

REVENUE.

Earnings	$26,048,673.75	
Dividends on stocks of other companies	463,079.39	
Interest on bonds of other companies	309,961.59	
Profits on miscellaneous investments	12,745.74	
Interest on miscellaneous investments	204,457.66	
Miscellaneous receipts	11,362.62	
Balance, profit and loss June 30, 1898	387,703.50	
Total		$27,437,984.25

EXPENDITURES.

Operating expenses, taxes, and rentals	13,099,585.57	
Interest on mortgage bonds	6,079,273.33	
Interest on bonds of other companies guaranteed	61,520.00	
New construction and equipment	2,176,619.26	
Dividends 1 and 2 on common stock	1,600,000.00	
Dividends 5, 6, 7, and 8 on preferred stock	3,000,000.00	
Total		26,016,998.16
Surplus		1,420,986.09

General balance sheet.

ASSETS.

Cost of road and fixtures	$297,156,570.48	
Cost of equipment	14,930,396.31	
Land contracts, land cash, etc	692,157.05	
Fuel, material, and stores on hand	1,763,216.26	
Cash on hand	7,483,671.69	
Stocks and bonds	3,347,407.34	
Bonds and cash in hands of trustee of prior lien mortgage	731,633.33	
Insurance fund assets	475,797.61	
Sinking fund in hands of trustee	110,932.60	
Bills receivable	44,796.34	
Accounts receivable	1,943,302.13	
Due from other companies account traffic	486,363.42	
Due from United States	258,835.54	
Total		$329,425,080.10

LIABILITIES.

Mortgage bonds	160,387,600.00	
Interest on same due and accrued	1,112,615.25	
Interest on same accrued not due	436,400.00	
Dividends unpaid	1,550,000.00	
Accounts payable	464,608.24	
Pay rolls and vouchers	2,506,865.08	
Due other companies account traffic	168,780.03	
Taxes accrued not due	529,911.28	
General first mortgage conversion fund	1,612,400.00	
Reserve funds	111,337.57	
Insurance fund	475,797.61	
Reserved for dividends on preferred stock	3,000,000.00	
Liquidation account	647,778.95	
Capital stock	155,000,000.00	
Total		328,004,094.01
Surplus		1,420,986.09

OREGON AND CALIFORNIA RAILROAD COMPANY.

This company was chartered March 17, 1870, as the successor of the Oregon Central Railroad Company of Salem. The road is leased to the Southern Pacific Company for thirty-four years from August 1, 1893, at an annual rental of $5,000. Under the lease the net earnings or income, after payment of all fixed charges, is applied to payment of interest on bonded indebtedness of lessor company, which company is entitled to residue of such net earnings up to 7 per cent on preferred and 6 per cent on common stock, any excess of such amounts to be retained by lessee. If excess of net earnings or income is insufficient to pay the interest, it is optional with lessee to make good the deficiency and reimburse itself out of subsequent earnings. The lessee guarantees the payment, principal and interest, of the bonds already issued or to be issued under mortgage of July 1, 1887, from lessor company to Union Trust Company of New York.

By acts of Congress approved July 25, 1866, and May 4, 1870, there were granted by the United States to aid in the construction of this road 4,700,000 acres of land in the State of Oregon. Roseville Junction, Cal., and Portland, Oreg., are the land-grant termini. The records of the General Land Office show that to June 30, 1899, there had been patented to the company 2,442,635.51 acres. The records of

the General Land Office also show that to the same date 810,880 acres of the grant of July 25, 1866, and the whole of the grant of May 4, 1870, had been forfeited by the company, and that 1,800,000 acres of railroad indemnity lands located in Oregon had been restored to the public domain.

The company reports that to June 30, 1899, it had received by United States patent 2,659,300.56 acres of land. The total cash receipts from all sales to date amounted to $1,234,225.97, and there were outstanding on account of time sales $734,957.16. The receipts for the year were $164,712.72 and the expenses $77,138.22. The average price per acre now asked for land is $3.

The main line extends from Portland to California State line, 367.22 miles, and there are 288.54 miles of branch lines (including 1.72 miles leased). There are also 81.08 miles of sidings. The track is laid with steel rails for 664.07 miles and with iron for 72.77 miles. The ballast consists of 418.20 miles of gravel. There are 577.87 miles of fencing. During the year 290,370 new cross-ties were placed in the track, at a cost of $10,547.11, and 412.48 tons steel rails, costing $58,825.48. The expenditures for additions and betterments to railway, etc., charged to construction account, amounted to $48,966.32, while the equipment account shows a credit of $20,154.45. The rolling stock at the end of the year consisted of 49 locomotives, and 69 cars in the passenger, 873 in the freight, and 21 in the miscellaneous departments, respectively.

The main line of the road was traveled over by the commissioner in August and was found to be in very good condition. The assessed valuation of roadway, bridges, track, buildings, etc., for taxation is $3,012,192, and of rolling stock and equipment $289,371.

The following statements show the operations for the year and the company's general balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899	June 30, 1898	Increase.	Decrease.
EARNINGS.				
Passenger	$959,543.43	$876,672.26	$82,871.17	
Freight	1,104,418.22	1,064,694.88	39,723.34	
Mail	108,703.02	106,956.72	1,746.30	
Express	33,517.08	26,790.41	6,726.67	
Miscellaneous	36,154.22	32,736.96	3,417.26	
Total	2,242,335.97	2,107,851.23	134,484.74	
EXPENSES.				
Maintenance of way and structures	459,710.13	439,154.42	20,555.71	
Maintenance of equipment	189,544.82	181,463.83	8,080.99	
Conducting transportation	761,498.76	662,600.08	98,898.68	
General expenses and taxes	141,874.37	115,306.59	26,567.78	
Total	1,552,628.08	1,398,524.92	154,103.16	
Net earnings	689,707.89	709,326.31		$19,618.42
Miles operated	655.76	655.76		
Earnings per mile	$3,419.44	$3,214.36	$205.08	
Expenses per mile	2,367.67	2,132.68	234.99	
Net earnings per mile	1,051.77	1,081.68		$29.91
Percentage of expenses to earnings	69.24	66.30	2.94	

Revenue and expenditures.

REVENUE.

Earnings	$2,242,335.97	
Rent from lease of road	5,000.00	
Land sales and leases	5,061.64	
Proceeds from land sales	159,821.64	
Total		$2,412,219.25

EXPENDITURES.

Operating expenses	1,552,628.08	
Interest on first-mortgage bonds	964,550.00	
Interest on other debt	212,914.92	
Rentals	53,316.96	
Expenses of the land department	76,814.95	
Sundry expenses	545.91	
Total		2,860,770.82
Deficit		448,551.57

General balance sheet.

ASSETS.

Cost of road, fixtures, and equipment	$36,637,032.82	
Real estate other than road	37,817.67	
Land contracts, land cash, etc	659,433.39	
Sinking funds in hands of trustee	4,539.12	
Bills receivable	78,026.25	
Accounts receivable	123,854,08	
Total		$37,540,703.33

LIABILITIES.

First mortgage bonds	19,474,000.00	
Dividends unpaid	2,045.73	
Bills payable	5,394.19	
Accounts payable	3,689,235.70	
Pay rolls and vouchers	3,619.46	
Land-grant account	659,433.39	
Capital stock	19,000,000.00	
Total		42,833,728.47
Deficit		5,293,025.14

ST. JOSEPH AND GRAND ISLAND RAILWAY COMPANY.

The St. Joseph and Grand Island Railroad Company was formed June 22, 1885, by a consolidation of the Grand Island and Marysville and the St. Joseph and Marysville Railroad companies, and its entire main line was opened to public business on October 1, 1879. In 1893 the road passed into the hands of the Union Pacific Railway receivers, which company owned a majority of the capital stock of this company. On December 23, 1896, the property of the company was sold, after a long default, in foreclosure of the first mortgage and was purchased for the first-mortgage bondholders' committee in the name of Mr. Olcott, the chairman, the amount of his bid being $3,000,000. The purchaser then caused new corporations to be formed in Kansas and Nebraska, which were subsequently (February 23, 1897) consolidated to form the St. Joseph and Grand Island Railway Company. The property was turned over to the new company on March 1, 1897. The Kansas City and Omaha Railroad Company was sold under foreclosure on July 8, 1896, and reorganized in September, 1896, as the Kansas City and

Omaha Railway Company, which took possession of its road on November 1, 1896. Since then that road has been operated by this company under an operating agreement.

By act of Congress approved July 23, 1866, the St. Joseph and Denver City Railroad Company (afterwards St. Joseph and Marysville) received through the State of Kansas a grant of 1,700,000 acres of land to aid in its construction. St. Joseph, Mo., and Grand Island, Nebr., are the land-grant termini. The records of the General Land Office shows that to June 30, 1899, there had been patented to the company 462,733.24 acres. The companies fail to make a report on the operations of the land department.

The road extends from St. Joseph, Mo., to Grand Island, Nebr., a distance of 251.06 miles, in addition to which there are 41.12 miles of sidings. The track is laid entirely with steel rails, 161.26 miles of 60-pound weight and 89.80 miles of 52-pound weight. There are 321 miles of fencing.

During the year oak cross-ties were placed in the track, at a cost of $37,593.67. The rolling stock now consists of 30 locomotives, and 21 cars in the passenger, 800 in the freight, and 94 in the miscellaneous departments, respectively.

The assessed valuation of the roadway, bridges, track, buildings, etc., for taxation, was $1,830,892.

The following statements show the financial condition of the company on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$179,695.87	$156,653.89	$23,041.98	
Freight	993,783.63	986,880.99	6,902.64	
Mail	32,280.41	28,922.35	3,358.06	
Express	18,320.56	18,290.43	30.13	
Miscellaneous	36,979.59	41,751.40		$4,771.81
Total	1,261,060.06	1,232,499.06	28,561.00	
EXPENSES.				
Maintenance of way and structures	184,413.66	209,619.70		25,206.04
Maintenance of equipment	124,067.74	106,461.34	17,606.40	
Conducting transportation	563,163.63	397,763.77	165,399.86	
General expenses and taxes	41,005.91	110,020.77		69,014.86
Total	912,650.94	823,865.58	88,785.36	
Net earnings	348,409.12	408,633.48		60,224.36
Miles operated	251.06	251.06		
Earnings per mile	$5,022.94	$4,909.18	$113.96	
Expenses per mile	3,635.19	3,281.55	353.64	
Net earnings per mile	1,387.75	1,627.63		$239.88
Percentage of expenses to earnings	72.37	66.84	5.53	

Revenue and expenditures.

REVENUE.		
Earnings	$1,261,060.06	
In settlement with receivers	102,180.56	
Total		$1,363,240.62

Revenue and expenditures—Continued.

EXPENDITURES.

Operating expenses	$912,650.94	
Interest on first-mortgage bonds	87,500.00	
Taxes	75,973.06	
New construction	66,813.95	
New equipment	154,803.68	
Dividends	164,928.00	
Total		$1,462,669.63
Deficit		99,429.01

General balance sheet.

ASSETS.

Cost of road, fixtures, equipment, and real estate	$17,142,065.84	
Fuel, material, and stores on hand	41,505.37	
Cash on hand	124,965.26	
Prepaid insurance	1,469.53	
Accounts receivable	125,353.86	
Due from other companies	24,520.48	
Total		$17,459,880.34

LIABILITIES.

First-mortgage bonds	3,500,000.00	
Interest on same, due and accrued	3,920.00	
Interest on same accrued, not due	52,500.00	
Dividends unpaid	54,976.00	
Pay rolls and vouchers	160,905.70	
Due other companies, account traffic	50,800.88	
Due other companies, account leases	9,751.82	
Taxes accrued	34,567.46	
Renewal accounts	23,628.53	
Agents' advances	5,060.41	
Capital stock	13,527,600.00	
Total		17,423,710.80
Surplus		36,169.54

ST. LOUIS, IRON MOUNTAIN AND SOUTHERN RAILWAY COMPANY.

This company was formed on April 30, 1874, by the consolidation of the St. Louis, Iron Mountain and Southern Railway Company (organized March 3, 1871) and the Cairo and Fulton Railway Company of Arkansas (organized January 12, 1853). The company has since acquired, by purchase, the following roads: Doniphan Branch Railroad, Jackson Branch Railroad, Kansas City and Southern Railway, Iron Mountain and Helena Railroad, Little Rock, Mississippi River and Texas Railway, and the Houston, Central Arkansas and Northern Railway.

In 1881 practically all the capital stock of this company was acquired by the Missouri Pacific Railway Company, that company issuing three shares of its stock for every four of Iron Mountain. This company, together with its leased line, the Little Rock and Fort Smith Railway, are now operated as a part of the Missouri Pacific system.

By the act of Congress approved February 9, 1853, there were granted to the Cairo and Fulton Railroad (since consolidated with this com-

pany), through the States of Missouri and Arkansas, 1,178,411.05 acres of land, all of which has been patented to the company. The land-grant termini are Birds Point, on the Mississippi River, opposite Cairo, Ill., via Poplar Bluff, Mo., Little Rock and Texarkana, Ark. The records of the General Land Office fail to show a grant of land to any of the roads named above; but under "Forfeitures" (Land Office Report, 1888, p. 109) it is stated that "by act of June 28, 1884, the grant to the Iron Mountain of 601,600 acres, from Pilot Knob, Mo., to Helena, Ark., was forfeited, and 10,000 acres of railroad indemnity lands located in Missouri and 5,000 acres located in Arkansas have been restored." The records of the General Land Office do, however, show that to June 30, 1899, there had been patented to the St. Louis, Iron Mountain and Southern Railroad Company 1,388,324.68 acres of land.

The company's report gives the operations of its land department in two divisions, and also the operations of its leased line, the Little Rock and Fort Smith Railroad, as follows:

Missouri division.—Acquired by United States patent, 65,119.60 acres, of which there has been sold for cash and on time contracts 61,868.91 acres. The total cash receipts from all sales to June 30, 1899, amounted to $386,262.33, and there were outstanding on account of time sales $9,572.43. The receipts from this department during the year amounted to $12,234.54 and the expenses to $3,033.38. The average price per acre now asked for land is $4.35.

Arkansas division.—Acquired by United States patent, 1,344,081.57 acres, of which there has been sold and lost by contest 764,807.86 acres, leaving the balance still owned by the company 579,273.71 acres. The total cash receipts from all sales to June 30, 1899, amounted to $2,885,098.60, and there were outstanding on account of time sales $84,301.84. The cash receipts from this department during the year amounted to $106,289.69 and the expenses to $47,943.94. The remaining lands are held at an average price of $2.65 per acre.

Little Rock and Fort Smith Railway.—Acquired by patent from the United States, 1,058,431.98 acres, of which there have been sold and lost by contest 520,647.69 acres, leaving the balance still owned by the company 537,784.27 acres. The total cash receipts from all sales to June 30, 1899, amounted to $2,311,009.43, and there were outstanding on account of time sales $166,008.72. The cash receipts from this department for the year were $34,382.75, the expenses amounting to $26,256.68. The average price per acre at which the remaining lands are held is $2.50.

The Little Rock and Fort Smith Railway Company, under an act approved February 9, 1853, received a grant of 1,100,000 acres of land. Argenta, on left bank of Arkansas River, opposite Little Rock, Ark., and Garrison avenue, Fort Smith, Ark., are the land-grant termini. The records of the General Land Office show that to June 30, 1899, there had been patented to the company 1,057,647.55 acres of land.

The St. Louis, Iron Mountain and Southern Railway Company owns 1,428.86 miles and leases 344.91 miles, making the total mileage operated 1,773.77 miles. There are 10.27 miles of double track and 391.43 miles of sidings. The track for 1,689.65 miles is laid with steel rails and there are 1,703.89 miles of fencing.

During the year 12,118.28 tons of new steel rails were laid at a cost of $264,235.94, and 996,491 new white oak cross ties were placed under

the track at a cost of $233,234. Betterments were effected through expense accounts and no separate improvement account is kept. There were added to the equipment during the year one officer's car, 1,386 freight cars, and 250 road and miscellaneous cars. The rolling stock on June 30, 1899, consisted of 246 locomotives, 119 cars in the passenger service, 9,192 in the freight service, and 1,337 in the road and miscellaneous department.

The following statements show the operation of the road for the year and the company's balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$2,266,495.67	$2,082,954.78	$183,540.89	
Freight	9,573,233.46	9,528,681.59	44,551.87	
Mail	460,881.68	394,622.72	66,258.96	
Express	287,072.71	264,006.48	23,066.23	
Miscellaneous	282,640.43	292,649.48		$10,009.05
Total	12,870,323.95	12,562,915.05	307,408.90	
EXPENSES.				
Maintenance of way and structures	1,860,696.94	1,654,648.36	206,048.58	
Maintenance of equipment	1,338,698.47	1,297,775.95	40,922.52	
Conducting transportation	4,989,849.65	4,810,296.31	179,553.34	
General expenses	379,720.29	250,022.80	129,697.49	
Total	8,568,965.35	8,012,743.42	556,221.93	
Net earnings	4,301,358.60	4,550,171.63		248,813.03
Miles operated	1,773.77	1,773.77		
Earnings per mile	$7,255.91	$7,082.59	$173.32	
Expenses per mile	4,830.93	4,517.37	313.56	
Net earnings per mile	2,424.98	2,565.22		$140.24
Percentage of expenses to earnings	66.58	63.78	2.80	

Revenue and expenditures for year.

REVENUE.		
Earnings	$12,870,323.95	
Dividends on stocks of other companies	29,771.48	
Interest on bonds of other companies	4,650.00	
Sundry amounts	1,878.96	
Total		$12,906,624.39
EXPENDITURES.		
Operating expenses, rentals, and taxes	9,268,155.53	
Interest on funded debt	2,311,225.50	
Interest on other debt	103,968.21	
Compensation retained by United States	27,217.32	
Sundry amounts	131,031.12	
Total		11,841,597.68
Surplus		1,065,026.71

General balance sheet.

ASSETS.

Cost of road, fixtures, and equipment	$68,618,285.93	
Real estate other than road	514,194.89	
Land contracts, land cash, etc	1,764,925.24	
Cash on hand	49,253.24	
Stocks and bonds	8,441,415.17	
Bills receivable	1,300.00	
Accounts receivable	1,911,599.29	
Total		$81,300,973.76

LIABILITIES.

Funded debt	48,116,542.88	
Interest on same due and unpaid	218,377.92	
Interest on same accrued, not due	584,170.58	
Bills payable	2,391,068.65	
Accounts payable	878,188.78	
Capital stock	25,795,055.00	
Total		77,983,403.81
Surplus		3,317,569.95

ST. LOUIS AND SAN FRANCISCO RAILROAD COMPANY.

This company was incorporated June 29, 1896, as the successor of the St. Louis and San Francisco Railway Company, the road of the latter having been purchased by the present company at foreclosure sale on June 27, 1896, as mentioned in a previous report. The road of this company was originally the Southwest Branch of the Pacific Railroad of Missouri, and received a grant of land and a loan from the State to aid in its construction. Failing in the payment of interest on State bonds, the road was sold to the South Pacific Railroad Company, and subsequently to the Atlantic and Pacific Railroad Company, which extended the road to its present terminus. This company was succeeded by the St. Louis and San Francisco Railway Company, above mentioned.

By act of June 10, 1852, there were granted to the Southwest Branch of the Pacific Railroad of Missouri 1,161,235.07 acres of land, and by act of July 27, 1866, to the Atlantic and Pacific Railroad Company 699,351.57 acres in Missouri, now owned by this company, making a total of 1,860,586.64 acres granted. The records of the General Land Office show that to June 30, 1899, there had been patented to the company 1,161,284.51 acres.

The company in its report to the stockholders states that it has received on account of the South Pacific grant 1,161,244.47 acres, of which there have been sold 1,076,546.43 acres, leaving on hand 84,698.04 acres; and on account of the Atlantic and Pacific grant 506,816.33 acres, of which there have been sold 502,595.61 acres, leaving on hand 4,220.72 acres, or a total from the two grants of 88,918.76 acres. The lands and town lots on hand are valued at $195,267.52 and the existing contracts at $44,409.36. The net profit from the land department during the year amounted to $25,659.42.

The St. Louis, Salem and Arkansas Railroad and the Kansas City and Southwestern Railroad, both of which were formerly leased by this company, were sold at foreclosure and now form integral parts of this company. The Central Division of the Atlantic and Pacific Railroad was purchased by this company at the foreclosure sale, and since January 1, 1898, has been operated as the Southwestern Division. The

main line of this company extends from St. Louis to Seneca, Mo., 326.28 miles, and there are 1,059.11 miles of branch lines, making the total length of the road owned and operated 1,385.39 miles. In addition, there are 256.79 miles of side track. All but 133.94 miles is laid with steel rails.

During the year 6,000 tons of new steel rails were laid, costing $115,553.89; and 367,179 new cross-ties were placed in the track, costing $103,330.11. The rolling stock at the end of the year consisted of 206 locomotives and 140 cars in the passenger, 6,167 in the freight, and 223 in the road and miscellaneous departments, respectively.

The following statements show the operations of the road for the year and the company's balance sheet on June 30, 1899:

Comparative statements of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$1,507,062.47	$1,248,490.94	$258,571.53	
Freight	5,166,180.41	5,121,683.41	44,497.00	
Mail	226,353.01	201,508.08	24,844.93	
Express	201,658.48	203,642.03		$1,983.55
Miscellaneous	125,407.76	111,143.31	14,264.45	
Total	7,226,662.13	6,886,467.77	340,194.36	
EXPENSES.				
Maintenance of way and structures	805,913.81	754,237.90	51,675.91	
Maintenance of equipment	669,153.76	635,684.90	33,468.86	
Conducting transportation	2,622,028.22	2,400,869.01	221,159.21	
General expenses and taxes	475,075.14	454,077.95	20,997.19	
Total	4,572,170.93	4,244,869.76	327,301.17	
Net earnings	2,654,491.20	2,641,598.01	12,893.19	
Miles operated	1,385.39	1,282.13	103.26	
Earnings per mile	$5,216.34	$5,371.12		$54.78
Expenses per mile	3,300.28	3,310.79		10.51
Net earnings per mile	1,916.06	2,060.33		44.27
Percentage of expenses to earnings	63.27	61.64	$1.63	

Revenue and expenditures.

REVENUE.		
Earnings	$7,226,662.13	
Profits on miscellaneous investments	51,500.94	
Receipts of the land department (net)	25,659.42	
Balance of income, June 30, 1898	568,738.24	
Total		$7,872,560.73
EXPENDITURES.		
Operating expenses	4,572,170.93	
Interest on funded debt	2,130,517.00	
Improvements	156,344.87	
Dividends	360,000.00	
Loss on operating contracts with Kansas City, Osceola and Southern Railway Company	16,334.52	
Taxes on lands in New Mexico and Arizona	9,661.14	
Internal-revenue stamps on conveyance of property of the St. Louis and Oklahoma Railway	1,942.38	
Interest on part payment of capital stock of St. Louis and Oklahoma Railway	1,000.00	
Total		7,247,970.84
Surplus		624,589.89

General balance sheet.

ASSETS.

Cost of road, fixtures, and equipment	$87,284,392.50	
Fuel, material, and stores on hand	464,986.80	
Cash on hand	532,881.18	
Company's stocks and bonds owned by company	5,072,685.70	
Other stocks and bonds	34,362.00	
Miscellaneous investments	269,169.16	
Sinking fund in hands of trustees	20,371.79	
Accounts receivable	514,576.76	
Due from other companies on account of traffic (net)	17,667.24	
Cash payment to bond and interest account	13,229.00	
Miscellaneous accounts of receiver of St. Louis and San Francisco Railway and prior, taken up for collection	7,392.55	
Total		$94,231,714.68

LIABILITIES.

Funded debt	41,708,350.00	
Interest on same due and accrued	711,229.00	
Interest on same accrued not due	202,402.50	
Pay rolls and vouchers	663,113.50	
Taxes accrued not yet payable	76,126.46	
Sinking funds accrued	31,796.65	
Miscellaneous liabilities of receivers of St. Louis and San Francisco and prior, and Atlantic and Pacific (Central Division) prior to purchase, assumed by this company	20,812.93	
Due on American Loan and Trust Company equipment	193,293.75	
Capital stock	50,000,000.00	
Total		93,607,124.79
Surplus		624,589.89

ST. PAUL AND DULUTH RAILROAD COMPANY.

This company was incorporated June 27, 1877, as the successor of the Lake Superior and Mississippi Railroad Company. By the acts of Congress approved May 5, 1864, and July 13, 1866, the company received through the State of Minnesota a grant of 920,000 acres of land. St. Paul and Duluth, Minn., are the land-grant termini.

The records of the General Land Office show that to June 30, 1899, there had been patented to the company 860,844.09 acres of land, and 8,000 acres of railroad indemnity lands had been restored to the public domain. The company reports that to June 30, 1899, it had acquired by United States patent 816,083.55 acres and by State swamp land grant 694,399.07, making a total of 1,510,482.62 acres; sold from same 567,032.21, leaving the number of acres owned by the company 943,450.41, which amount was increased during the year by the cancellation of contracts for 10,141.14 acres.

The receipts during the year from the land department were $208,525.13 and the expenses were $41,057.90, while there are outstanding on account of time sales $493,517.33. The average price at which the remaining lands are now held is $5 per acre.

The main line extends from St. Paul to Duluth, a distance of 146.50 miles. The company also owns 28.50 miles of branch road and leases 69.45 miles, making the total operated 244.45 miles. There are 16.50 miles of double track and 138.22 miles of sidings. Practically all of the track is laid with American steel rails of from 70 to 75 pounds in weight. There are 470 miles of barbed-wire fencing. During the

year 111,926 new cross-ties were placed in the track, at a cost of $27,981.59, and 792 tons of new steel rails were laid.

The equipment at the end of the year consisted of 59 locomotives, 72 cars in the passenger service, 2,617 in the freight, and 187 in the road and miscellaneous departments. Track ballast is gravel for 167.50 miles and 76.95 miles earth. The company pays a percentage of its gross earnings in lieu of all taxes.

The express business of the road is transacted by Adams Express Company under contract, the latter company paying the railroad company 40 per cent of its gross earnings, guaranteed to be not less than $1,875 per month.

The company has guaranteed the payment, principal and interest, of the following bonds:

Taylors Falls and Lake Superior Railroad, 6 per cent	$210,000
Duluth Short Line Railway, 5 per cent	500,000
Stillwater and St. Paul Railroad, 7 per cent	209,500

The following statements show the operations of the company for the fiscal year and the general balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$388,369.47	$370,237.38	$18,132.09	
Freight	1,365,042.65	1,229,436.12	135,606.53	
Mail	25,557.13	25,547.10	10.03	
Express	22,500.00	22,500.00		
Miscellaneous	860.88	915.05		$54.17
Total	1,802,330.13	1,648,635.65	153,694.48	
EXPENSES.				
Maintenance of way and structures	233,288.67	303,109.82		69,821.15
Maintenance of equipment	205,899.76	176,049.18	29,850.58	
Conducting transportation	658,870.24	605,181.76	53,688.48	
General expenses and taxes	141,804.34	137,663.46	4,140.88	
Total	1,239,863.01	1,222,004.22	17,858.79	
Net earnings	562,467.12	426,631.43	135,835.69	
Miles operated	244.45	244.45		
Earnings per mile	$7,373.00	$6,744.26	$628.74	
Expenses per mile	5,072.05	4,998.99	73.06	
Net earnings per mile	2,300.95	1,745.27	555.68	
Percentage of expenses to earnings	68.79	74.12		$5.33

Revenue and expenditures for year.

	REVENUE.	
Earnings	$1,802,330.13	
Dividends on stocks of other companies	10,125.00	
Interest on bonds of other companies	70.00	
Amount reserved June 30, 1898, from land department receipts for taxes of 1897, again restored to income	47,052.25	
Receipts of the land department	208,525.13	
Interest and exchange	8,071.80	
Rentals	14,206.52	
Balance to credit of income June 30, 1898	215,478.00	
Total		$2,305,858.83

Revenue and expenditures for year—Continued.

EXPENDITURES.

Operating expenses and taxes	$1,239,863.01	
Interest on first-mortgage bonds	50,000.00	
Interest on second-mortgage bonds	100,000.00	
Interest on first consol mortgage bonds	19,444.44	
Discount of bonds	714.29	
Expenses incident to issue of bonds	149.43	
Dividend No. 33, 4½ per cent	215,478.00	
Dividend No. 34, 3½ per cent	143,398.50	
Expenses of the land department	41,057.90	
Rentals	134,282.85	
Total		$1,944,388.42
Surplus		361,470.41

General balance sheet.

ASSETS.

Cost of road and fixtures	$11,863,818.81	
Cost of equipment	1,471,940.87	
Land contracts	506,583.83	
Fuel, material, and stores on hand	86,301.45	
Cash on hand	633,653.60	
Stocks and bonds	210,599.00	
Miscellaneous investments	1,732.26	
Car and locomotive trust fund	91,083.20	
Sinking fund in hands of trustee	152,281.79	
Bills receivable	11,263.75	
Due from agents and conductors	59,288.90	
Due from other companies	4,535.87	
Due from other companies and individuals	38,460.75	
Other assets	11,735.21	
Total		$15,143,279.29

LIABILITIES.

Funded debt	4,000,000.00	
Interest on same due and accrued	650.00	
Interest on same accrued not due	49,166.67	
Branch-line bonds	919,500.00	
Interest on same due and unpaid	717.50	
Interest on same accrued not due	14,633.33	
Dividends unpaid	2,671.00	
Car and locomotive trust notes	91,083.20	
Accounts payable	65,211.24	
Pay rolls and vouchers	209,641.08	
Redemption fund for retirement of preferred stock	5,128.73	
Preferred shares drawn for retirement	4,800.00	
Sinking fund for redemption of bonds	152,281.79	
Land account, deferred receipts	506,583.83	
Capital stock	8,759,740.51	
Total		14,781,808.88
Surplus		361,470.41

ST. PAUL, MINNEAPOLIS AND MANITOBA RAILWAY COMPANY.

This company was organized May 23, 1879, being a successor under a plan of reorganization of the St. Paul and Pacific and first division St. Paul and Pacific Railroad companies. The first-named company

had purchased the property, franchises, and lands of the Minnesota and Pacific Railroad Company, which had received a grant of land and begun the construction of the road.

The line of the company is now leased to the Great Northern Railway Company for nine hundred and ninety-nine years, from January 31, 1890, that company guaranteeing payment of interest on this company's bonds and a dividend of 6 per cent per annum on the capital stock, and also paying the expenses of maintaining this company's organization.

By the acts of Congress approved March 3, 1857, March 3, 1865, and March 3, 1871, there were granted to the Minnesota and Pacific Railroad Company, through the State of Minnesota, 885,000 acres, and to the St. Paul and Pacific 1,838,638.95 acres, a total grant of 2,723,638.95 acres of land. St. Paul and Breckenridge, Minn., St. Paul via St. Cloud and Barnesville, Minn., and Cape Vincent, Minn., and East St. Cloud and Sauk Rapids are the land-grant termini. The records of the General Land Office show that to June 30, 1899, there had been patented to these companies 3,005,902.64 acres of land.

The company reports that to June 30, 1899, it had acquired by patent of the State of Minnesota 3,212,521.52 acres, but that 408,926.06 acres have been decreed to the Northern Pacific Railway Company by the United States Supreme Court, and 2,236,877.05 acres have been sold, leaving the balance now owned by the company 566,758.41, for which the average price now asked is $8 per acre. The total cash receipts from all sales to date amounted to $9,506,163.77, and the amount outstanding on account of time sales is $1,734,674.44. The receipts from the land department during the year were $584,483.39, and the expenses $57,080.

The total length of road is 3,816.12 miles, in addition to which there are 50.21 miles of second, third, fourth, fifth, and sixth track, and 567.52 miles of sidings. Of this 3,736.87 miles are now laid with steel rails. No details of the equipment can be given, it all having been leased with the line to the Great Northern Railway Company.

The following statements show the receipts and expenditures for the year and the company's balance sheet on June 30, 1899:

Revenue and expenditures.

REVENUE.

Receipts of the land department	$585,855.03	
Rental under lease to Great Northern Railway Company	4,711,732.15	
Total		$5,297,587.18

EXPENDITURES.

Maintenance of organization	6,686.47	
Interest on funded debt	3,505,045.68	
Increase in sinking fund for year	528,775.03	
Dividends	1,200,000.00	
Expenses of the land department	57,080.00	
Total		5,297,587.18

General balance sheet.

ASSETS.

Cost of road and fixtures	$105,539,339.77	
Cost of equipment	9,168,665.47	
Premium on first mortgage bonds	393,200.00	
Premium on consolidated mortgage bonds	96,057.64	
Cash on hand	52,276.56	
Accounts receivable	33,983.92	
Total		$115,283,523.36

LIABILITIES.

Called bonds	1,000.00	
Other funded debt	85,559,484.85	
Pacific extension bonds in hands of trustee	242,424.24	
Pay rolls and vouchers	17,465.03	
Sinking funds uninvested:		
First mortgage bonds	1,050.00	
Consolidated mortgage bonds	63,744.99	
First mortgage bonds redeemed and exchanged	5,927,400.00	
Premium on first mortgage bonds	393,200.00	
Consolidated mortgage bonds redeemed	1,046,000.00	
Premium on same	96,057.64	
Capital stock	20,000,000.00	
Total		113,347,826.75
Surplus		1,935,696.61

SOUTHERN PACIFIC RAILROAD COMPANY OF CALIFORNIA.

This company was formed by a consolidation on May 14, 1888 (amended November 3, 1892), of the following-named railroad companies:

Southern Pacific Railroad,
San Jose and Almadon Railroad,
Pajaro and Santa Cruz Railroad,
Monterey Railroad,
Monterey Extension Railroad,
Southern Pacific Branch Railway,
San Pablo and Tulare Railroad,
San Pablo and Tulare Extension Railroad,
San Ramon Valley Railroad,
Stockton and Copperopolis Railroad,
Stockton and Tulare Railroad,
San Joaquin Valley and Yosemite Railroad,
Los Angeles and San Diego Railroad,
Los Angeles and Independence Railroad,
Long Beach, Whittier and Los Angeles County Railroad,
Long Beach Railroad,
Southern Pacific Railroad Extension, and
Ramona and San Bernardino Railroad.

On April 14, 1898, were added the—

Southern Pacific Railroad,
Northern Railway,
Northern California Railway, and
California Pacific Railroad.

The road of this company is leased to the Southern Pacific Company for ninety-nine years, being included in what is known as the "omnibus lease," dated March 1, 1885, by the terms of which the lessee company agrees to maintain the road, to pay all fixed and other charges, including interest on bonds and floating debt, and to divide the surplus net profit between the companies, this company to have as its proportion 44 per cent thereof. Betterments and additions are currently made by the lessee, each company being charged with the cost of additions to its separate property.

By the acts of Congress approved July 27, 1866, and March 3, 1871, this company received grants of 14,007,840 acres of land in aid of construction. San Jose and Tres Pinos, Cal.; Huron, via Goshen, Tulare, Mojave, Los Angeles, and the Colorado River opposite Yuma, Ariz.; New Orleans and Morgan City, La., are the land-grant termini. The records of the General Land Office show that to June 30, 1899, there had been patented to the company in the State of California 3,220,375.82 acres; that 3,800,000 acres of railroad indemnity lands located in California have been restored to the public domain, and that by a decision of the Commissioner of the General Land Office, affirmed by the Secretary of the Interior under date of November 2, 1885, there had also been restored to the public domain 550,000 acres of land.

The company reports that it has acquired by United States patent 3,217,450.81 acres by deeds from master in chancery and by decrees of court 3,250.57 acres, and by cancellation of contracts 516,132.27 acres, making a total of 3,736,833.65 acres. It has disposed of for cash 345,344.625 acres, on time contracts 3,177,311.89 acres, and has lost by decrees of court 51,884.20 acres, making a total of 3,684,949.45. The number of acres still owned by the company for which it has received patent is 1,038,435.205. The total cash receipts from all sales of land to date have amounted to $9,307,759.21, and the amount now outstanding on account of time sales is $2,540,579.36. The receipts from this department during the year were $29,843.26, and the company reports no expenditure.

The company operates 2,329.48 miles of road. There are 46.025 miles of double track and 588.43 miles of sidings. New 75-pound steel rails, aggregating 6,834.27 tons, were laid during the year, at a cost of $174,752.34, and 400,342 cross-ties, of which 45,355 were treated, were placed in the track, costing $213,035.27. The additions and betterments to railway, etc., charged to construction account amounted to $1,277,684.96. The betterments to rolling stock amounted to $1,266,467.77.

The rolling-stock equipment at the end of the year consisted of 273 locomotives, an increase of 37 over the preceding year, and 437 cars in the passenger service, 6,825 in the freight, and 321 in the miscellaneous departments, respectively.

The assessed valuation of roadway, bridges, track, and rolling stock for taxation was $21,528,870, or $10,247.70 per mile. Almost all of the road of this company was inspected during the past summer by the commissioner. The properties are kept up to a high standard, and show care in maintenance.

The following statements show the operations for the year and the company's balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$5,003,973 20	$4,801,518 99	$202,454 21	
Freight	[illegible]	[illegible]	[illegible]	[illegible]
Mail	329,282 32	298,212 48	31,069 84	
Express	241 547 31	250,820 35		9,273 04
Miscellaneous	483,207 89	504,971 03		21,763 14
Total	14,628,937 02	15,078,026 68		449,089 66
EXPENSES.				
Maintenance of way and structures	1,885,201 56	1,756,111 72	129,089 84	
Maintenance of equipment	1,612,163 57	1,497,[illegible] 25	114,[illegible] 32	
Conducting transportation	5,417,800 54	5,107,[illegible] 29	[illegible] 25	
General expenses and taxes	933,558 81	842,[illegible] 76	[illegible] 05	
Total	9,848,724 48	9,203,595 [illegible]	645,129 [illegible]	
Net earnings	4,780,212 54	5,874,[illegible]		1,093,[illegible]
Miles operated	2,329 48	2,[illegible] 40	29 08	
Earnings per mile	$6,279 91	$6,55[illegible]		$27[illegible]
Expenses per mile	4,227 86	4,000 86	$227 00	
Net earnings per mile	2,052 05	2,55[illegible]		[illegible]
Percentage of expenses to earnings	67.32	61.04	6.28	

Revenue and expenditures.

REVENUE.		
Earnings from lease of road	$5,929,866 88	
Interest on miscellaneous investments	166,357 93	
Receipts of the land department	29,741 26	
Income from sinking fund	361,501 24	
Rentals	11,312 43	
Total		$6,498,779 74
EXPENDITURES.		
Salaries and maintenance of organization	11,399 76	
Interest on first-mortgage bonds	4,032,866 50	
Betterments and improvements	566,466 39	
Sinking-fund requirements	230,000 00	
Expenses of the land department	36,370 02	
Taxes on lands	28,899 71	
Set over to special-income accounts	391,242 50	
Premium on bonds redeemed	1,235 00	
Total		5,298,479 88
Surplus		1,200,299 86

General balance sheet.

ASSETS.		
Cost of road, fixtures, and equipment	$193,491,813 68	
Land contracts	952,676 15	
Land contracts in suspense	1,250,000 00	
Cash on hand	90,459 81	
Cash deposited to credit of trustees	282,970 62	
Stocks and bonds	4,546 88	
Sinking funds in hands of trustees	3,210,098 44	
Accounts receivable	3,655,055 38	
Total		$202,937,620 96

General balance sheet—Continued.

LIABILITIES.

First, second, and third mortgage bonds	$74,255,500.00	
Interest due and accrued on California Pacific Railroad bonds	7,375.00	
Accounts payable	6,683.61	
Trustees' land-grant mortgage	453,661.65	
Sinking funds uninvested	68,528.12	
Principal of deferred payments on land contracts	952,676.15	
Principal of same in suspense	1,250,000.00	
Capital stock	100,966,160.00	
Total		$177,960,584.53
Surplus		24,977,036.43

TEXAS AND PACIFIC RAILWAY COMPANY.

This company was organized under the act of Congress approved March 3, 1871, and the general laws of the State of Texas. By acts of Congress approved June 3, 1856, and March 3, 1871, grants of land were made to roads forming parts of the present system amounting to 22,410,880 acres. Shreveport, La., and the Texas State line, near Waskom, Tex., are the land-grant termini.

The records of the General Land Office show that to June 30, 1899, there had been patented to the New Orleans Pacific (formerly the New Orleans, Baton Rouge and Vicksburg) Railroad Company 980,587.43 acres in the State of Louisiana, and also that by the act of February 20, 1885, there had been forfeited 15,692,800 acres of the grant to the Texas and Pacific, and 352,587 acres of the grant to the New Orleans, Baton Rouge and Vicksburg by the act of February 28, 1887, and that by the same act there had been restored to the public domain 19,000 acres of railroad indemnity lands granted to the Vicksburg, Shreveport and Pacific.

The report of the president to the stockholders gives the assets of the land department on December 31, 1898, as 76,620 acres and a very large number of town lots; also bills receivable (land notes) amounting to $54,868.50. The cash collections on land and town lots amounted to $31,596.65. The average price per acre obtained for land was $2.49.

The company has submitted to this office a report of its operations for the fiscal year ended June 30, 1899, as required by section 13 of the act of March 3, 1871.

The rolling-stock equipment on June 30, 1899, consisted of 220 locomotives, 133 cars in the passenger service, 5,135 cars in the freight service, and 257 cars in the road-repair department, an increase over preceding year of 14 locomotives, 302 freight cars, and 28 road and repair department cars, and a reduction of 7 cars in passenger service.

The road is operated in three divisions:

	Miles.
Eastern Division	512
Rio Grande Division	621
Louisiana Division	359
Total	1,492

The following statements show the operations for the year and the general balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$1,790,852.47	$1,651,113.72	$139,738.75	
Freight	5,861,532.32	5,958,143.28		$96,610.96
Mail	265,042.72	244,303.84	20,738.88	
Express	151,038.19	144,000.00	7,038.19	
Miscellaneous	156,768.03	61,910.40	94,857.63	
Total	8,225,233.73	8,059,471.24	165,762.49	
EXPENSES.				
Maintenance of way and structures	1,391,398.15	[illegible]		[illegible]
Maintenance of equipment	806,894.12	[illegible]		[illegible]
Conducting transportation	3,227,328.23	[illegible]		[illegible]
General expenses	276,097.90	[illegible]	[illegible]	[illegible]
Total	5,701,718.40	5,768,234.78		66,516.38
Net earnings	[illegible]	[illegible]	[illegible]	[illegible]
Miles operated	1,492	1,[illegible]		[illegible]
Earnings per mile	$5,512.88	$5,376.5[illegible]	[illegible]	[illegible]
Expenses per mile	3,821.52	[illegible]	[illegible]	[illegible]
Net earnings per mile	1,691.36	1,[illegible]	[illegible]	[illegible]
Percentage of expenses to earnings	69.32	71.[illegible]	[illegible]	[illegible]

Revenue and expenditures.

REVENUE.

Earnings	$8,225,233.73	
Unclaimed wages charged off	2,073.40	
Rentals	26,577.00	
Sale of 99 first-mortgage bonds	99,000.00	
Sundry accounts	18,341.59	
Coupons first-mortgage bonds canceled	1,975.00	
Donated lands and town lots sales, net	44,277.00	
Westwego elevator, excess earnings	29,564.46	
Sherman town bonds	438.00	
Total		$8,447,480.18

EXPENDITURES.

Operating expenses and taxes	5,914,421.17	
Accrued interest	1,285,538.33	
Rental joint track to December 31, 1898	6,750.00	
New construction and equipment	589,067.38	
Sundry accounts	325,007.83	
Total		8,120,784.71
Surplus		326,695.47

General balance sheet.

ASSETS.

Cost of road and equipment	$80,688,500.06	
Stocks, bonds, and miscellaneous investments	12,617,500.36	
Cash on hand	570,072.35	
Due from agents	203,353.67	
Due from other companies and individuals	312,192.06	
Other cash assets	75,879.95	
Material and supplies	330,567.87	
Sinking fund	40,000.00	
Bills receivable	48,818.49	
Total		$94,886,884.81

LIABILITIES.

Funded debt	53,701,736.40	
Vouchers and accounts	557,200.38	
Wages and salaries	52,894.65	
Due other companies on account of traffic, net	70,858.65	
Matured interest coupons unpaid	74,450.00	
Miscellaneous	69,426.08	
Accrued interest not yet payable	156,778.33	
Estimated taxes	98,085.32	
Capital stock	38,720,280.00	
Total		93,501,709.81
Surplus		1,385,175.00

WISCONSIN CENTRAL RAILROAD COMPANY.

This company has failed to submit, on the form prescribed by this office, a report of its operations for the fiscal year ended June 30, 1899, claiming that, under decisions of the courts, it does not come within the jurisdiction of the Bureau.

The original Wisconsin Central Railroad Company was a reorganization, February 4, 1871, of the Portage, Winnebago and Superior Railroad Company. On January 4, 1879, default having been made in the payment of interest on its bonds, the trustees under the mortgage took possession of the property. On October 31, 1889, the property was again turned over to the company under a plan of reorganization, by the terms of which the trustees hold, under an irrevocable special trust until full interest is regularly paid on all bonds, substantially the entire issue of the capital stock of the company. The road was operated by the Northern Pacific Railroad Company under lease from April 1, 1899, until September 27, 1893, when the lease was terminated by decree of the court for nonpayment of rent.

The properties covered by the mortgage of the Wisconsin Central Company were sold July 7, 1899, to Messrs. George Coppell, John Crosby Brown, and William L. Bull. The rights of the purchasers having been previously duly transferred to the Wisconsin Central Railway Company, a corporation formed under the laws of the State of Wisconsin, said sale was, July 8, 1899, confirmed, and conveyance pursuant thereof was made July 13, 1899, to the Wisconsin Central Railway Company.

By an act of Congress approved May 5, 1864 (13 Stat., 66, sec. 3), there were granted to the State of Wisconsin, to aid in the construction of a railroad "from Portage City, Berlin, Dotys Island, or Fond

du Lac, as said State may determine, in a northwestern direction to Bayfield, and thence to Superior, on Lake Superior, every alternate section of public land, designated by odd numbers, for ten sections in width on each side of said road," estimated by the General Land Office to include a grant of 1,800,000 acres of land. The beneficiary under this grant was the Portage, Winnebago and Superior Railroad Company (now Wisconsin Central Railway Company).

The records of the Land Office show that to June 30, 1899, there had been patented to the company 838,030.51 acres of land, and that 200,000 acres of railroad indemnity lands located in Wisconsin had been restored to the public domain.

This office has been furnished with a copy of the report of the receivers, under order of court, for the year ended June, 1899, from which the following information is compiled:

The railroad company owned 390.83 miles of main track and 68.07 miles of sidings. It leases 139.63 miles, and has trackage rights over 27.60 miles.

The following statements show the operations of the company for the fiscal year, and the general balance sheet on June 30, 1899:

Comparative statement of earnings and expenses.

	Year ended—		Difference.	
	June 30, 1899.	June 30, 1898.	Increase.	Decrease.
EARNINGS.				
Passenger	$537,233.79	$503,679.23	$33,554.56	
Freight	1,918,043.56	1,822,226.20	95,817.36	
Mail	49,261.58	49,295.98		$34.40
Express	49,518.75	49,619.54		100.79
Miscellaneous	34,619.05	24,315.75	10,303.30	
Total	2,588,676.73	2,449,136.70	139,540.03	
EXPENSES.				
Maintenance of way and structures	301,103.00	364,124.30		63,021.30
Maintenance of equipment	201,517.41	191,016.96	10,500.45	
Conducting transportation	764,784.01	745,698.22	19,085.79	
General expenses	192,733.58	194,036.17		1,302.59
Total	1,460,138.00	1,494,875.65		34,737.65
Net earnings	1,128,538.73	954,261.05	174,277.68	
Miles operated	536.62	533.94	2.58	
Earnings per mile	$4,824.94	$4,586.91	$238.03	
Expenses per mile	2,721.50	2,799.70		$78.20
Net earnings per mile	2,103.44	1,787.21	316.23	
Percentage of expenses to earnings	56.40	61.04		4.64

Revenue and expenditures.

REVENUE.		
Earnings		$2,588,676.73
EXPENDITURES.		
Operating expenses	$1,460,138.00	
Interest on bonds	441,690.00	
Accrued taxes	103,622.17	
Accrued rentals	418,831.24	
Interest, exchange, and discount	3,391.23	
Total		2,427,672.64
Surplus		161,004.09

General balance sheet.

ASSETS.

Liabilities paid on accounts prior to receivership, net	$29,432.93	
Investments in stocks and bonds	3,000.00	
Improvements on branch roads	634.81	
Car-trust equipment	239,349.88	
Car-trust equipment, interest account	23,050.36	
New equipment	471,951.83	
Cash on hand	166,126.86	
Sundry accounts	626,929.51	
Supplies on hand	187,226.01	
Total		$1,747,702.19

LIABILITIES.

Receivers' certificates	661,000.00	
Haskell & Barker Car Company	151,504.15	
Pay rolls and vouchers	248,609.33	
Accounts payable	80,687.03	
Interest on certificates, accrued	10,470.00	
Total		1,152,270.51
Surplus		595,431.68

The estimates of appropriations submitted and recommended by me for the Bureau for the year ending June 30, 1901, are as follows: Commissioner, $4,500; bookkeeper, $2,000; assistant bookkeeper, $1,800; clerk, $1,400; clerk, $1,000; assistant messenger, $720; traveling expenses for the examination of books and accounts of the subsidized railroad companies, and inspecting the properties thereof as required by law, $500; total, $11,920.

The personnel of the Bureau at present is as follows:

James Longstreet, Commissioner	$4,500
Herman Schreiner, bookkeeper	2,000
Lewis W. Haskell, assistant bookkeeper	1,800
Miss Kate Schmidt, clerk	1,400
Miss Ellen W. Fitzsimons, clerk	1,000
Frank Tharin, assistant messenger	720

It affords me pleasure to commend the general efficiency of the employees of the Bureau.

I have the honor to be, very respectfully, your obedient servant,

JAMES LONGSTREET,
Commissioner.

Hon. E. A. HITCHCOCK,
Secretary of the Interior.

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REPORT OF THE DIRECTOR OF THE CENSUS.

DEPARTMENT OF THE INTERIOR,
CENSUS OFFICE,
Washington, D. C., November 1, 1899.

SIR: I have the honor to submit to you the following report of the operations of this office:

Congress provided for taking the Twelfth Census by an act approved March 3, 1899, entitled "An act to provide for taking the Twelfth and subsequent censuses." The undersigned was appointed director on the 4th of March, 1899, and qualified on the 7th of March. His assistant, Mr. Wines, qualified on the 10th of March.

A preliminary organization was effected by the appointment of Mr. A. F. Childs to the position of chief clerk; Mr. E. McCauley to that of disbursing clerk; and Mr. Henry Gannett, geographer. During the month of March four chief statisticians were appointed, namely: Mr. W. C. Hunt, in charge of the population division; Mr. W. A. King, vital statistics; Mr. L. G. Powers, agriculture; and Mr. W. F. Willcox, methods and results. In June, Mr. S. N. D. North was appointed to take charge of the division of manufactures.

The preliminary work is well under way. The forms of the schedules for taking the enumeration of the agricultural products and population have practically been determined upon and the division of vital statistics is doing considerable correspondence with the various boards of health throughout the country with regard to the work of that division. An effort will be made by this office to secure a uniform system of registration of deaths, so that more reliable statistics may be obtained.

A plan has been mapped out for the selection of experts to be employed as special agents and assigned to service in connection with the collection of statistics of manufacturing industries, with which they are familiar. The industries of the country have been grouped into sixteen classes. An expert agent will be put in charge of one or more of these groups and will have immediate charge of the special agents, who will be employed in gathering statistics concerning that subject.

A special agent has been appointed to look after the taking of the census in the Hawaiian Islands, and he has advised with this office concerning the work there. Two special agents have also been selected to superintend the taking of the census in the District of Alaska. They are now in Alaska for the purpose of doing the preliminary work.

Two hundred and ninety-five supervisors of census out of a total of 297 to be appointed have been selected and commissioned by the President. The law requires that the supervisors be confirmed by the Senate, and it is presumed that the names will be sent to the Senate for confirmation soon after Congress convenes.

A contract has been entered into between Mr. M. G. Emery and the Director of the Census, whereby a building will be erected for the use of this Bureau, to be ready for occupancy on or about the 1st of January, 1900. The building to be so erected will be especially adapted for the large force which it is expected will be employed in the census work. The contract made with Mr. Emery provides that the building shall be leased for a term of five years from the date of its completion at a rental of $26,600 per annum, with an option on the

part of the Government to renew the lease for a second term of five years at a rental of $20,000 per annum. The right of purchase is also reserved to the Government should it desire to acquire the land and building at any time during the life of the lease.

In view of the large amount of supplies required for the use of the Census Office, and in order to purchase the same in an economical manner, it was deemed absolutely necessary to assign a special agent to act as purchasing agent. The census act does not contemplate the selection of a person for this particular purpose. It is recommended that an amendment be made to the census act, by which the office of purchasing agent may be created and made a permanent one in the personnel of this Bureau. It is proper to add in this connection that quite a large saving has been effected already by means of the plan adopted, and, as a very large amount of supplies and furniture will be required to carry on the census work, it is respectfully urged that provision be made by Congress for the creation of a purchasing department in the Census Office.

The act of March 3, 1899, under which the Census Office is being operated, provides that the reports concerning the four general subjects—namely, population, vital statistics, agriculture, and manufactures and mechanical industries—shall be completed and published by July, 1902. This will involve the employment of a very large force for two years, beginning about June, 1900. The act provides for five expert chiefs of division, ten clerks of class 4, fifteen clerks of class 3, and twenty clerks of class 2. The five positions for expert chiefs of division have been filled by the selection of experts to look after particular branches of the work. After a careful consideration of the whole subject, it has been deemed wise to recommend an amendment to the law, so as to provide for two additional chiefs of division at $2,000 per annum, five additional clerks of class 4, six of class 3, and eight of class 2.

The Comptroller of the Treasury, in a communication to the Director of the Census, dated May 26, 1899, holds that this office may not purchase books and documents necessary for use in the Census Office work out of the appropriation made by the act entitled "An act to provide for taking the Twelfth and subsequent censuses," approved March 3, 1899, for the reason that the act does not specifically provide for their purchase. The decision is based on section 3 of the act of March 15, 1898 (30 Stat. L., 316), which is as follows:

> That hereafter law books, books of reference, and periodicals for use of any executive department, or other Government establishment not under an executive department, at the seat of Government, shall not be purchased or paid for from any appropriation made for contingent expenses or for any specific or general purpose, unless such purchase is authorized and payment therefor specifically provided in the law granting the appropriation.

It is necessary, therefore, that legislation be had at the earliest practicable date to provide for the purchase of certain books of reference and documents, which are absolutely necessary for the proper administration of the work of this office.

It is estimated that there will be required for the purpose of taking the census over 50,000 enumerators, over 2,500 clerks, and over 2,000 special agents. The clerical force has been apportioned to the various States and Territories on a population basis, and an examination of every applicant, to test his or her capacity for the special work required,

is being insisted upon, as required by law. The entire office force now numbers 182, most of whom are women employed as skilled laborers in doing the preliminary work.

A financial statement is attached hereto, showing the disbursements of this Bureau up to October 31, 1899.

Respectfully submitted.

WILLIAM R. MERRIAM,
Director.

The SECRETARY OF THE INTERIOR.

Financial report to October 31, 1899.

Amount appropriated		$1,000,000.00
Amount advanced to Sam C. Dunham, special disbursing agent, by Secretary of the Treasury	$10,000.00	
Amount advanced to Arthur F. Wines, special disbursing agent, by Secretary of the Treasury	5,000.00	
Amount disbursed by disbursing clerk to October 31, 1899	88,146.88	
		103,146.88
Balance unexpended		896,853.12
Amount disbursed for—		
Salaries of employees		61,322.74
Furniture and fittings		7,713.28
Rent		3,763.68
Special agents		2,708.87
Printing and stationery		7,479.58
Miscellaneous		5,158.73
Total		88,146.88

SALARIES IN DETAIL.

March pay roll	$1,618.05
April pay roll	3,688.48
May pay roll	5,177.35
June pay roll	7,292.16
July pay roll	8,858.67
August pay roll	9,949.09
September pay roll	10,878.22
October pay roll	13,860.72
	61,322.74

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REPORT

OF

THE POSTMASTER-GENERAL.

POST-OFFICE DEPARTMENT,
Washington, D. C., November 27, 1899.

To the PRESIDENT:

In submitting, as I have the honor to do, the annual report of the Department for the year ending June 30, 1899, it is my privilege to record the fact that the needs and the hopes of years have at length been realized, and that the Department is now installed in the new and imposing building dedicated to its use. It will be still more a subject for congratulation if the greater facilities and accommodations required for its constantly and rapidly increasing work shall bring the higher efficiency which may rightfully be expected.

Financial statement.

The following statement shows in brief form the financial operations of the Department for the last fiscal year:

REVENUES AND EXPENDITURES.

Ordinary postal revenue	$93,734,719.57
Receipts from money-order business	1,286,664.60
Total receipts from all sources	95,021,384.17
Total expenditures for the year	101,632,160.92
Excess of expenditures over receipts	6,610,776.75

Marked reduction in annual deficit.

The first fact connected with this statement which commands attention is the large decrease in the annual deficiency. As compared with the deficit for the fiscal year ending June 30, 1898, which was $9,020,905.06, it shows a reduction of $2,422,746.86, or 26.7 per cent. This results from the fact that, while the expenditures are necessarily growing with the expanding service, the receipts are growing still faster. The course of the postal revenues furnishes an unerring barometer of the business conditions of the country. This is made plain in reviewing the

figures during the bad and the good times of the past few years:

Year.	Receipts.	Expenditures.	Deficit.
1893	$75,896,933.16	$81,074,104.90	$5,177,171.74
1894	75,080,479.04	84,324,414.15	9,243,935.11
1895	76,983,128.19	86,790,172.82	9,807,044.63
1896	82,499,208.40	90,626,296.84	8,127,088.44
1897	82,665,462.73	94,077,242.38	11,411,779.65
1898	89,012,618.55	98,033,523.61	9,020,905.06
1899	95,021,384.17	101,632,160.92	6,610,776.75

Steady increase in revenue.

The volume of receipts was nearly stationary for the first three years, notwithstanding the growth of population, but for the last three years, with the return of prosperity and business activity, the revenues show a great and steady gain. The annual deficit which mounted up in large ratio, reaching an increase of 78 per cent in 1894, is again rapidly declining. The expenditures show a regular increment year by year, varying not much from $3,000,000. This is inevitable with the extension of the service, unless there are directions in which retrenchment could be enforced without crippling the work. But in prosperous times the increase of revenues more than keeps pace with the increase of disbursements and steadily advances the service toward a sounder basis.

Estimate for 1901.

I submit below an estimate of the revenues and expenditures, which has been transmitted to the Secretary of the Treasury, for the fiscal year ending June 30, 1901:

Total postal revenue for 1899	$95,021,384.17
Add 7 per cent for estimated increase, year ending June 30, 1900	6,651,496.89
Estimated revenue for 1900	101,672,881.06
Add 6 per cent for estimated increase, year ending June 30, 1901	6,100,372.86
Total estimated revenue for 1901	107,773,253.92
Estimated expenditure for 1901	110,777,800.00
Deficiency for 1901, estimated	3,004,546.08

ABUSES IN SECOND-CLASS MATTER.

The paramount need of the service.

The most urgent need of the postal service is the rectification of the enormous wrongs which have grown up in the perversion and abuse of the privilege accorded by law to second-class matter. This reform is paramount to all others. There are many improvements and advances

waiting development and application; there are opportunities for speedier transmission and delivery; there are fields for broadening the scope of the mail service and bringing it closer home to the people; there are possibilities of reduced postage; but above and beneath and beyond all of these measures of progress, which experience and intelligence are working out, is the redemption of the special concession which Congress granted for a distinct and justifiable public object from the fungous growths and the flagrant evils that have fastened upon it.

For this costly abuse, which drags on the Department and weighs down the service, trammels its power and means of effective advancement in every direction. It involves a sheer wanton waste of $20,000,000 or upwards a year. The postal deficit for the current year is $6,610,776. But for this wrongful application of the second-class rate, instead of a deficit there would be a clear surplus of many millions. With such an ample margin the possibilities of practical improvements are apparent. If this deadly burden upon the mails were removed the Department could hopefully enter upon a systematic policy of enlarged and progressive service with the assurance that sound business management and increasing facilities would bring commensurate returns which would not be swallowed up in the maw of private interests without any public advantage. This misapplication of a legitimate public object to strictly personal ends not only entails a large loss and taxes all the people for the benefit of a few, but it cripples the Department and obstructs needed improvements.

Loss to the Department.

Possibilities of practical improvements if abuses were remedied.

The wrongs which have proved so injurious were never contemplated by Congress. They are wholly outside the intent of the law. They are directly in contravention of its spirit and have become possible only through the evasion and distortion of its letter. It has always been the purpose of Congress to ordain low rates of postage for legitimate newspapers and periodicals. This was in accordance with the deliberate and settled public policy which encourages the dissemination of public intelligence and favors the promotion of enlightening influences. In the reform which is suggested and sought, it is not proposed to restrict the privileges of legitimate publications or to modify the design of the law, but only to bring back its application to its original and just scope. The aim is not to change what Congress meant to establish, but only to lop off the excrescences which have grown upon it. These

Purpose of suggested reform.

alien and illegitimate additions have come to equal, if not to exceed, the proportions of the intended and rightful recipients of the privilege.

As strikingly illustrating the extent and effect of the abuses to which reference is made, attention is particularly invited to the appended statements and exhibits. Calculating upon the basis of the count of pieces and the weighing of volume made in 1890, and adhering to the rule of estimating which has been observed in the Department from that time, the weight in pounds and the receipts for postage on the several classes of matter mailed during the year ending June 30, 1899, are as follows:

Weight of the several classes of matter mailed.

Class.	Weight.	Postage paid.
	Pounds.	
First class	128,517,992	$65,987,732.98
Second class:		
Paid at pound rate	352,703,226	3,527,032.26
Free	62,241,700	.....
Transient	25,289,355	1,564,290.00
Third class	68,227,169	10,093,882.50
Fourth class	21,776,347	3,421,181.80
Foreign	5,531,079	2,546,800.44
Total	664,286,868	87,140,919.98

Quantity of matter improperly mailed at second-class rates.

Careful inquiry has been made through experienced postmasters and by an examination of the records of the Department, and it is believed that fully one-half of all the matter mailed as second class, and paid for at the pound rate, is not properly second class within the intent of the law, and ought justly to be paid for at the third-class rate. This gives the enormous quantity of 176,351,613 pounds from which the Department derives only a fraction of the revenue to which it is fairly entitled. The third-class rate of postage is 1 cent for each 2 ounces or fraction thereof, nominally 8 cents a pound, but in reality, through the operation of the fractional provision, the rate is higher. A division of the amount of postage received for third-class matter by the number of pounds of such matter mailed shows that the Department actually derives a revenue of 14.75 cents a pound from this class. If, therefore, there had been paid, as there should have been paid, the average third-class rate on the 176,351,613 pounds, which was wrongfully transmitted at the pound rate, the Department would have received $26,011,862.92, instead of $1,763,516.13, which it actually received, and the postal

Estimate of increased revenue under reform.

revenues would have been increased by the handsome sum of $24,248,346.79.

The actual financial exhibit of the Department for the last fiscal year is as follows:

Total expenditures	$101,632,160.92
Total receipts from all sources	95,021,384.17
Deficit	6,610,776.75

Had this 176,351,613 pounds of mail matter, really of the third class, but transmitted at the pound rate, paid, as it should have paid, the average third-class rate, the financial exhibit would have been this:

Receipts, as above given	$95,021,384.17
Additional revenue from 176,351,613 pounds third-class matter, at 14.75	24,248,346.79
Total receipts	119,269,730.96
Total expenditures	101,632,160.92
Surplus	17,637,570.04

Or, if it be assumed that the matter would pay only the nominal rate of 8 cents a pound, this would be the showing:

Estimate on another hypothesis.

Receipts, as given above	$95,021,384.17
Additional revenue from 176,351,613 pounds third-class matter, at 8 cents	12,344,612.91
Total receipts	107,365,997.08
Total expenditures	101,632,160.92
Surplus	5,733,836.16

This is what the financial exhibit of the postal service for the year would be if the matter carried through the mails were classified and rated as the law intended it should be. It would show a large surplus instead of a large deficit. Nor do even these figures present the full case. The first table of this statement shows that the amount of postage, per pound, actually received on the several classes was as follows:

Postage actually received per pound.

	Cents.
First-class matter, not free	85.6
Second-class matter	.8
Third-class matter	14.7
Fourth class (seeds, etc.)	9.2
Fourth class (ordinary)	17
Foreign	46
Postal cards	188.2

From these statements it appears:

Deductions from previous statements.

First. That more than one-fourth of the entire volume and weight of matter carried through the mails is rated and pays as second-class matter, when, under the spirit and intent of the law, it ought to be rated and to pay as third-class matter.

Second. That while this wrongly classed matter amounts to more than one-quarter of the whole volume of mail transmitted, it furnishes only one-fifty-fifth part of the postal revenue.

Third. That the expense of transportation being reckoned at 8 cents a pound, the mere carrying of this matter cost $14,108,129.04, while the revenue from it was only $1,763,516.13, involving a loss to the Government of $12,344,612.91.

Even penny postage would be practicable if wrong were corrected.

These statements convey their own moral. It is a gross and manifest wrong that a particular and limited group of private interests, using the mails solely for their own business ends and with no public object, direct or incidental, should first succeed in eluding the plain purpose of the law, and should then and thus carry on their mail transactions, not at their own expense, but at the expense of others. If there is to be a favored class, let it embrace all the people. Penny postage is probably not yet practicable, and may be regarded as a future and not a proximate achievement. But if the matter which improperly goes at the pound rate were made to pay what the law contemplated, then even penny postage, with reasonable limitations, could be applied to letters without entailing a deficit larger than that of the last few years, and possibly with none at all.

Character of the abuses.

The character of the abuses of the pound rate, which amount to a practical infraction of the design of the law, has been so often explained, and is so well understood, that a minute exposition seems unnecessary. But a succinct statement of the different kinds may emphasize the appeal for reform. The first is the paper-covered books put out under pretence of being serial publications. They have nothing of the nature of periodicals. They do not possess a single one of the attributes which Congress meant to require in publications that should be entitled to the second-class rate. Their "consecutive numbering" is a travesty; their issuance at "stated intervals" a parody; their "subscription list" a fiction; their claim of being published "for the dissemination of information of a public character" a burlesque. There is nothing to dis-

The paper-covered book.

tinguish them in substance from bound books, and the discrimination in their favor is most unjust to the publishers of finer literature. The law requires a legitimate list of subscribers for publications coming in the second class. The paper-covered books under consideration have few or no actual subscribers. The scheme is to treat the orders of news agents as subscriptions. The books are mailed in bulk to a central locality, and then remailed to other places. When the possibilities of these places are exhausted, there are other shipments, the same books being transported again and again, and every time the Government loses 7 cents a pound. A wrong so transparent and flagrant ought not to be tolerated.

Means by which the wrong is effected.

The second abuse is connected with the advertising "house organ" and the so-called trade journal. One of my predecessors, Postmaster-General Bissell, characterized it as the "bogus trade journal." There are many genuine trade journals which are as legitimate as any periodicals and justly entitled to all their privileges. These are not included in the criticisms. But the trade journal described is simply an advertising scheme. It is not designed to disseminate information of a public character and has no standing as the exponent of any trade or industry. It is only a collection of advertisements strung together, with a little scissored reading matter to give it the guise of a publication. It does not seek circulation on its merits or through subscriptions, but is mostly given away on a pledge to advertisers that so many copies shall be distributed. The "house organ" is of the same type, but limited to being the advertising circular of a particular establishment. These prints do not conform in any just sense to the requirements of the law, but offer only a nominal and technical conformity.

The advertising "house organ" and so-called trade journal.

Description of these prints.

The third abuse grows out of the privilege of sample copies. In its original and obvious intent this privilege harmonizes with the policy under which legitimate publications are granted an exceptional rate of postage. The sample copy of a regularly admitted paper or periodical, counting for support upon its merits, is presumably designed to induce a new subscription by exhibiting its merits in a new quarter. But, as a matter of fact, in many instances, the sample copy has become, not the individual exhibit, but the potential cloak of a thousand times multiplied distribution without regard to subscriptions and solely as the plea and pledge for advertising. This is

The sample-copy privilege.

not the object which the law had in view; it is not directed in any sense to the benefit of the reading public; its whole purpose is as an agency of advertising, and why should the Government furnish the means of this private advertising at a great loss to itself? The sample-copy privilege is the life of the "house organ" and the spurious trade journal, and in other cases it is abused. Why should it not be restricted to its original purpose?

It's perversion.

The simple statement of these great and palpable abuses ought to be the sufficient argument for their prompt reform. It is not sought to interfere with the just privileges of legitimate publications. Indeed, their publishers have a direct and manifest interest in the extirpation of these wrongs, which, if left uncorrected, will inevitably provoke a sweeping condemnation and warfare, involving alike those that are justly and those that are unjustly included. They have the further inducement for joining actively in the reform that its achievement would go far to extinguish the meretricious methods of building up illegitimate publications and to restore the business to its regular and natural channels.

Rightful publishers of second-class matter have direct interest in reform.

The Department alone is powerless to remedy the evils. Though they violate the policy and purpose of the law, yet they are shielded by its want of precision respecting subtleties and devices which could not have been anticipated, and by constructions which restrict freedom of administrative action. For this reason the difficulty must be cured by the lawmaking power. The points to be reached are clear and well defined. It is vital to reestablish in their proper classification and forbid the privilege of the pound rate to serial libraries of books, to "house organs" and other sheets of an exclusive advertising character, to sample editions for advertising purposes, to advertising circulars which are masked under the name of fraternal societies, to returns by news agents of unsold periodicals, and to schemes by which publishers pervert their prerogatives by sending matter in their own names at the pound rate for advertisers and purchasers who have not the privilege.

Congress alone has power to remedy evils.

Publications to which the privilege should be refused.

These important features of practical reform were embraced in the bill H. R. 5359, introduced at the second session of the Fifty-fifth Congress by Hon. E. F. Loud, chairman of the Committee on the Post-Office and Post-Roads, and the failure of its enactment is a subject of deep regret. I earnestly hope that this or a measure of similar character may be brought forward again and pressed to

passage, and I desire to reiterate and emphasize the statement that the correction of the abuses here indicated, which hamper the Department and burden the service, is the most essential step toward full liberty of action in meeting the just demand of the country for the largest degree of postal progress.

Remedial legislation earnestly urged.

THE SERVICE IN THE ISLANDS.

The organization of the postal service in the new island possessions of the United States and in Cuba has necessarily engaged much attention. The presence of United States troops in those fields, in constant communication with home, constrained the establishment of mail facilities for their needs, and the practical obliteration of the old local postal system with the extinguishment of Spanish authority compelled a reconstruction of the whole service for the requirements of the native population. Under the President's order of July 21, 1898, directing that as our forces occupied new territory the military post-office should follow, our postal arm had been extended to Santiago in Cuba, to Ponce in Porto Rico, and to Manila in the Philippines. When peace was restored and Cuba remained for the present in the military possession of the United States, while Porto Rico, Guam, and the Philippines became our territory, the direction and administration of the postal work throughout their limits devolved on our Government.

Complete reconstruction of insular service.

CUBA.

The construction of the system in Cuba was made to conform to the nature of our connection with that island. While necessarily directed by the Postmaster-General, under the President's authority and order, it was framed with the view of being as nearly autonomous and independent as possible. It was felt that the Cuban service ought to be distinct from the United States service; that its operation should be wholly dissociated from our administrative machinery; that its receipts should not come to our Treasury, and that its expenses should not be a charge upon our revenue. With this conception a plan of organization was outlined and defined in a letter from this Department to the Secretary of War under date of December 30, 1898, which is given in the appendix. Its essential features were the creation of a postal system modeled on the American plan, but entirely separate, with its own administrative bureaus, its own auditing mechanism,

The system made practically autonomous

Its essential features.

its revenues applied to its own cost, and, if they should prove inadequate, the deficit to be made good from the general revenues of the island.

The policy pursued in its organization.

In accordance with this policy, it was determined to select a competent person, thoroughly trained and experienced in the postal service, as the general executive of the organization; to send a number of experts familiar with the various branches to take the responsible places and give instructions in American methods; and to use native Cubans, and, where practicable, the incumbents, for the great body of the force. The fact that the appointments thus necessary were not subject to the conditions or restrictions of the civil-service law led to many applications, but the selections were governed wholly by the rule of seeking and securing the best-qualified officers. Major E. G. Rathbone was designated as Director-General of Posts. He was not an applicant, but he had been chief of post-office inspectors and an assistant postmaster-general of the United States, and was believed to combine the practical experience and the executive force needed in the creation of a new organization, and for this reason he was asked to accept the position.

With him were associated in the central administrative places a number of trained men, chosen from our own service for their skill in the branches of the work to which they were assigned. For the important position of postmaster of Havana an expert fitted by twenty years of experience in various grades, and as postmaster of a large city, was selected, and, though he did not even know that his name was under consideration till he was invited to the responsibility, he was induced to take it. With a force thus constituted the organization of the postal system of Cuba began. There was only a slight and imperfect basis in the existing service. It became necessary to build from the foundation. The old material was of little value; the equipment was primitive, obsolete, and for the most part worthless; the records had been removed or destroyed; the offices were dilapidated, unsanitary, and wholly unadapted to efficient work; the methods were antiquated and the force disorganized, undisciplined, and irresponsible. The condition of things is indicated in the fact that when our representatives took possession of the Havana office over 2,000 registered letters, addressed to accessible people in that city, the accumulation of three or four years, were undistributed and undelivered.

Condition of service when our representatives took charge.

The creation of a new system on American lines proceeded as rapidly as possible. A new building was secured in Havana for the post-office and for departmental headquarters. It was provided with a modern equipment, and the Cuban capital has now an office the appointments of which are equal to those of the foremost American cities. The money-order and registry systems were created, the railroad transportation was reorganized, a star route service was introduced where there were no other means of communication, and every improvement compatible with the means available was made. The money-order system was entirely new to the island, and, with meager bank facilities, it has proved to be of the largest convenience in the business life. Under the Spanish system the telegraph and postal service were united, and the cost of operation was reduced through the fact that in many places the same person served as telegraph operator and postmaster. With our occupation, control of the telegraph system was assumed by the War Department, and it was operated by the Signal Corps, thus separating the telegraph and postal services.

Money-order and registry systems introduced.

It can not yet be definitely determined whether the postal system will be self-sustaining. The initial expenditures in providing offices, equipment, and material have necessarily been large and will not be repeated. Nevertheless the cost of management has been kept within very reasonable limits. An exceedingly advantageous and economical arrangement was made for the transportation of the mails, and but for the cost of setting up the postal establishment the receipts would from the first have nearly equaled the outlay. There is reason to hope that the ordinary running expenses will not go much above the actual revenue. The vast improvement of the postal service is recognized on all sides. It has led to a largely increased use of the mails; it presents to the people visible evidence, perhaps more universal and palpable than any other exemplification, of the beneficent character of American administration, and not only are its practical results of great advantage, but its whole influence is most salutary. The full report of Director-General Rathbone, which appears in the appendix, gives the details of the organization and operation of the system, and presents the story of a work which deserves hearty commendation.

The service may be self-sustaining.

A vast improvement in methods.

PORTO RICO.

The service in Porto Rico was organized on the same general lines. Mr. H. M. Robinson, assistant superintendent of the Railway Mail Service, was detailed to take charge, and remained for some months as our supervising postal agent for that island. When the work had advanced sufficiently to be organized in a more permanent form, Captain W. H. Elliott was appointed Director-General, and the instructions given him were substantially identical with those which had been framed for the guidance of Major Rathbone in Cuba. Though Porto Rico holds a different relation to this country from that held by Cuba, it was felt that so long as the island remains under military government, and until a more direct extension of our civil forms to its domain, it would be more convenient for administrative operation to make its system autonomous, like that of Cuba. It was, therefore, established on this basis, and the expectation and direction were that any excess of expenditures over postal revenues should be paid from the general revenues of the island. This was done for a short period, but the disastrous hurricane of last August so devastated the island, so prostrated its business, and so crippled its revenues as to make it vital to relieve them of any burden which could otherwise be provided for, and in conference with the Secretary of War, and with the approval of the President, I determined that this Department would assume the payment of the postal deficit.

Same general line followed as in Cuba.

Deficit assumed by the Department.

The appropriation of $300,000 by Congress for the extension of the postal service in our island possessions enabled the Department to meet this emergency. The whole organization is being carefully reviewed, and after the exceptional expense incident to the creation of a new system and equipment has been provided for it is believed that the deficit can be brought within small compass. With advancing education there will naturally be a greater use of the mails. The report of Mr. Elliott, which is published herewith, gives full information of the work done in Porto Rico, which has been well directed and effective.

Deficit will eventually be small.

THE PHILIPPINE ISLANDS.

With the occupation of Manila by our forces, Mr. F. W. Vaille, assistant superintendent of the railway mail service, was detailed to take charge of the post-office in

that city and of the general management of the mails to and from the Philippines, both for the troops and for the resident population. As our occupation has extended he has opened other offices, not only on the island of Luzon, but at Iloilo, Cebu, Bacolod, Jolo, and other points. As in Cuba and Porto Rico, trained postal officials have been sent to aid him in this work, and so far as practicable he has used natives. The large body of troops in Luzon and the considerable business of Manila have imposed heavy labors upon him, and, with the great distance and the time required in communication, much has necessarily been left to his discretion. He has met the responsibility with intelligence and success. As the postal service shall be extended more widely over the islands, it can hardly be expected to be altogether self-sustaining until increased intelligence and familiarity shall lead to a more general use of the mails; but thus far its revenues have exceeded its cost, as is more particularly shown in the Director's report. The application of the American system to the new possessions was carried still further in the establishment of a post-office on the island of Guam. With Hawaii our postal connection has remained unchanged, pending the action of Congress.

Service extended as our occupation has progressed.

Guam and Hawaii.

THE RATE OF POSTAGE.

When our soldiers and sailors proceeded to Cuba, Porto Rico, and the Philippines, it was felt that they were entitled to the privilege of home communication without increased burden. Where they went with our flag their service was domestic and not foreign. The postage on mail matter to and from them was, therefore, fixed at the domestic rate. But even when the title to Porto Rico and the Philippines passed to the United States the former foreign rate was continued on the mail of their resident population until the bearing of any change upon the revenues could be determined. It became plain, however, with experience that a reduction might be adopted without prejudicial effect from the financial point of view, and with advantage from every other point of view, and so recently Porto Rico, Guam, and the Philippines were brought within the scope of the domestic rate of postage. It gave the people of those islands another practical evidence that they were under the flag of the United States.

Domestic rates established with our new possessions.

MILITARY POSTAL EXPENDITURES.

The following is a statement of expenditures from the special appropriation for the military postal service for the fiscal year ending June 30, 1899:

Service.	1898.		1899.		Total year.
	Third quarter.	Fourth quarter.	First quarter.	Second quarter.	
United States: For military camp post-offices, railway-mail clerks, etc	$23,249.11	$15,289.53	$29,122.48	$26,889.04	94,550.16
Porto Rico	9,060.08	24,286.18	27,139.77	28,433.31	88,919.34
Cuba	8,196.72	18,602.47	6,698.92	3,283.29	36,781.40
Philippine Islands	2,619.62	2,542.19	10,099.43	4,878.65	20,139.89
Total	43,125.53	60,720.37	73,060.60	63,484.29	240,390.79

FREE DELIVERY.

Growth of the service.

At the end of the fiscal year 47 cities had been added, because of increased receipts, to those already enjoying the benefits of the free delivery of mail by street letter carriers. Thirty-eight additional have since expanded this list, leaving 71 offices still entitled by population of 10,000, or gross receipts of $10,000, to the benefits of this service. The growth of the free-delivery service has been marked. It was inaugurated in 1863, and during that year there were 685 carriers employed, entailing an expenditure of $317,063. There are now employed in the service 14,256 carriers, and their salaries amounted during the fiscal year just closed to $13,070,155. The gross receipts from free-delivery offices have increased from $12,117,820 in 1877–78, the first year that a separate account was kept of this item, to $68,957,815 for the fiscal year ending June 30, 1899. The percentage of increase during the past year was much greater than that of any previous year since the service was established, while the cost of maintaining the service has dropped to a very low proportionate figure.

RURAL FREE DELIVERY.

The free delivery of mails in the rural districts has proved to be one of the most important among recent developments of the postal service, and presents in its possibilities a question of the largest proportions. The results already attained have been of a significant char-

acter, and the practical evidences bearing upon the feasibility of the system, upon the degree of its self-support, and upon the effect and the sentiment in the communities where it has been tried, deserve the most careful consideration. How far the system shall be extended is submitted for the determination of Congress, with a full presentation of facts upon which to base a conclusion. This service has been called "experimental" in each appropriation made by Congress for its continuance. It is the opinion of the officers having it in charge that the experimental stage has been passed, and in their view I coincide. The appropriation for rural free-delivery service for the present fiscal year was increased from $150,000 to $300,000, and this amount will be practically absorbed by the continuance to the end of the fiscal year of the service already established. It is now in successful operation from 630 distributing points, scattered among 40 States and 1 Territory (the only States unrepresented in the list being Idaho, Mississippi, Montana, and Wyoming), giving service to 452,735 people, at an average annual cost of 66 cents per capita.

The experimental stage has been passed.

Broad extension of the service.

The benefits accruing from the extension of postal facilities to the rural communities may be summarized as follows:

Summary of benefits.

Increased postal receipts, making many of the new deliveries almost immediately self-supporting. In Great Britain, where an extension of rural free delivery on a broader scale has been in progress since 1897, the number of additional letters mailed because of additional facilities afforded is estimated at 50,000,000 for the present year.

Enhancement of the value of farm lands reached by this service and better prices obtained for farm products through more direct communication with the markets and prompter information of their state.

Improved means of travel, some hundreds of miles of country roads, especially in the Western States, having been graded specifically in order to obtain rural free delivery.

Higher educational influences, broader circulation of the means of public intelligence, and closer daily contact with the great world of activity extended to the homes of heretofore isolated rural communities.

Any general extension of the rural free-delivery system will necessarily involve some reorganization of the present service in order to save needless duplication and to enforce

practical economies. To justify itself it must be accompanied by the discontinuance of some fourth-class offices which will become superfluous, and by a revision of star routes which will be rendered unnecessary. These features of the plan will stimulate the chief objections it may encounter, but with such practicable and compensating offsets to the expenditure incident to the establishment of the free-delivery routes, the system will entail no such outlay as has been feared, and the essential question is whether it will be for the higher public advantage. If so, the secondary and isolated personal interests which may be unfavorably affected should give way to the greater good.

General extension will involve some reorganization of other features.

Service not likely to entail undue expense.

The apprehension at one time entertained that this service would prove too expensive to maintain, even in a limited form, and impossible of general adoption, should, it would seem, be dispelled upon an impartial examination of the facts and figures given in the report of the First Assistant Postmaster-General. Our citizens are surely equal in intelligence to the people of the other countries in which the free-delivery service is extended to almost every domicile. They will as certainly respond by increased use of the mails to every effort made to give them additional postal facilities. It remains for Congress to determine whether the United States alone, of all the nations that signed the international postal treaty of Vienna on July 4, 1891, should fail to comply, to the best of its ability, with that article of the treaty which binds all the signatory powers to deliver postal articles "at the residences of the addressees in the countries of the Union where a delivery service is or shall be organized."

THE NEW DEPARTMENT BUILDING.

As already indicated, the Department now occupies the new building set apart for its use. In most respects it is found to be convenient and well adapted to the requirements. As generally happens when a public building is assigned to a use for which it was not originally designed, but which has required changes and modifications during the course of its construction, there are some defects which it is hoped may be remedied in due course of time. With some further provision it may be made fairly adequate for present purposes. So far as possible the clerks formerly installed in outlying and rented buildings have been brought into this structure, and there are about five hundred clerks

Existing defects may be remedied.

regularly employed within its walls in excess of the number that could be accommodated in the old Department building. Under the existing law the eighth floor is reserved for other purposes, but the Secretary of the Treasury, in whom the authority of assignment was vested, has recognized that its reservation for the use of the Post-Office Department was imperative, and with his sanction the floor has been equally divided between the Auditor's force and that of the Post-Office Department. This is a temporary arrangement pending the action of Congress, and it is hoped that the legal provision for its permanent retention will be made.

Authority asked for division of eighth floor.

EQUALIZATION OF SALARIES.

At the recent convention of the National Association of Postmasters a committee was appointed, which waited upon me and stated that as the unanimous sentiment of the convention they were charged with the duty of directing attention to certain inequalities of salaries, in order that they might be submitted to Congress with a view to their rectification. They represented that the salaries of postmasters in first-class cities were considerably larger than those of Assistant Postmasters-General, who had not only their direction but a much broader sphere of duty, and that the salaries of superintendents of delivery in post-offices were larger than those of the chiefs of division in the Department, with much wider responsibilities. So far as I could learn, the representation was the voluntary action of the convention, without suggestion from any other quarter, and, conveyed as it was by a large representative committee, it was presented as the earnest conviction of a body of officials whose observation and experience were specially directed to the subject. I submit their view for the consideration to which it is entitled.

The question submitted for consideration.

THE NEW YORK POST-OFFICE.

There is an earnest and just demand for an enlargement of the postal accommodations and facilities in the city of New York. The post-office is greatly overcrowded, and the attempt to handle all of the mail which must now pass through the central office in quarters which are inadequate results in much inconvenience and impedes an expeditious dispatch and delivery. Some provision for relieving the congestion is imperative, and the sugges-

Constant congestion of mail.

tion is made that, in addition to the present office, there should be another structure, centrally and conveniently located, where certain classes and divisions of the mail could be received and dispatched. New York furnishes one-twelfth of the postal revenue of the country. Its business is growing with phenomenal rapidity. Its immense and increasing interests have the strongest claim to consideration, and it is entitled to the best equipment and facilities that can be provided. In advancement of the postal service, not merely of New York, but of the whole country, which is intimately connected with it, I trust the subject will receive the favorable attention of Congress.

Relief should be granted.

THE EIGHT-HOUR LAW.

I beg to renew the recommendation contained in my last report, that a change be made in the law regulating the hours of labor of letter carriers, which would authorize postmasters to so arrange the schedules of carriers that the time lost to the Government on days when the mails are light could be saved. This can be done by a modification of the eight-hour law, which shall provide for six days' work of forty-eight hours, with as many additional hours on Sunday, not exceeding eight, as the exigencies of the service may demand.

Recommendation for a change renewed.

THE MONEY-ORDER SYSTEM.

There has been an increase of $20,000,000 in the amount of domestic money orders issued—a greater increase than ever before recorded in one year. Our money-order system has been successfully introduced into Cuba and Porto Rico, and an international exchange has been arranged with Mexico and Russia. Money orders are now made payable in the United States at the office of issue, thus establishing a mild and very convenient adaptation of the European postal savings-bank system, without the payment of interest. Army pensioners are permitted to cash their checks at money-order offices, which is found to be a great convenience to the veterans in many sections of the country. An improved form of domestic money order has been adopted.

Great increase in amount of orders issued.

There is urgent demand upon the part of the business public for the adoption of a form of money order for convenient fixed amounts from 25 cents to $2.50, odd amounts to be represented by ordinary postage stamps affixed to

the order, to be payable to the payee or the bearer, at the option of the sender. Of the convenience of such a method there can be no doubt, and the plan has the approval of this Department.

SALARIES OF ASSISTANT AND DEPUTY POSTMASTERS.

I concur in the recommendation of the First Assistant Postmaster-General that a separate appropriation be made to pay fixed salaries to assistant and deputy postmasters, whose compensation is now defrayed, in accordance with a more or less arbitrary scale of graduation, out of the appropriation for clerk hire. This suggested change of law, though on its face apparently involving an additional appropriation of $1,426,600, will actually cause very little increase in the net outlay, and will give to the statement of accounts a simplicity and directness strictly in line with correct business methods, besides enabling the committees of Congress to determine with accuracy what amount is necessary for each item.

Separate appropriation recommended.

CONSOLIDATION OF POST-OFFICES.

I again strenuously urge the repeal of the proviso inserted in the act making appropriations for the postal service of the United States for the fiscal year 1895–96, which prohibits the consolidation of post-offices when one of the post-offices affected by the proposed change in designation is located at a county seat. Economy and efficiency in postal administration would be greatly promoted by the removal of this restriction, and the public and the Department alike would be benefited by the change.

Proviso should be repealed.

RECLASSIFICATION OF POST-OFFICE CLERKS.

There has been no reclassification of clerks in post-offices since 1893, although that branch of the service has increased enormously during the interval, and I therefore respectfully urge upon Congress the necessity of enacting legislation, such as I recommended in my last report, looking to that end.

THE SUPPLY DIVISION.

The supplies for the postal service, for which an annual appropriation of nearly $500,000 is made, are at present stored in an ill adapted and non-fireproof building, always inconvenient of access, but much more so since the re-

Provision should be made for protection of supplies.

moval of the Department to its new building. The continued use of such a building can not be regarded as consistent with prudence or economy, and I would urge upon Congress that appropriation be made to provide suitable shelter and protection for these valuable supplies.

ALASKAN SERVICE.

The material increase in the population of Alaska has been the cause of the adoption by the Department of additional means designed to improve the postal service of that Territory, but the obstacles to be overcome are so great that progress in this direction is necessarily slow and may not become immediately apparent. Among other experimental steps, an inspector of the Department was detailed to make an overland trip from Valdez, on Prince William Sound, to Eagle, on the Yukon River, a distance of nearly 500 miles, urgent requests having been made for the establishment of post-offices along the proposed route. There were so few settlers found in this interior country, however, that only one office was established, but, to provide for the transportation of mails to and from the interior, and in anticipation of future needs, a contract has been made for a route from Valdez, via Eagle, to Circle, entirely over our own territory.

New route established.

The full contract service on the long overland routes from Juneau, via Skagway, Dawson City, Circle, and Tanana, to St. Michaels, was not performed by the contractor, but this was partially remedied by the employment of temporary service by our postal agent. Additional agents have now been stationed at several places and better service is confidently expected during the coming winter.

Improvement expected.

Winter mail service by steamer along the southern coast of Alaska was provided last year for the first time and will be continued.

MAIL TRANSPORTATION.

The report of the Second Assistant Postmaster-General shows that at the close of the last fiscal year the total number of domestic mail routes of all classes was 34,298, their length 496,948 miles, and the annual travel 445,744,845 miles. Compared with the preceding year, this is an increase of 503 routes, 16,487 miles in length of routes, and 11,412,153 miles in annual travel. The annual rate of expenditure for such service at the close of the year was $53,076,413.91—an increase of $1,678,646.50.

Number and length of domestic mail routes.

Through the reletting of the contracts for star service in the third contract section, which includes the States of the Middle West, a decrease of $138,218.57 was effected in the annual rate of expenditure for such service, although the number of miles traveled annually was increased over 4 per cent. It is expected that as a result of the reletting of this service in the Southern States, an advertisement for which is now pending, an increase of 2,243,070 miles, or nearly 8 per cent, will result. The advertisement for South Carolina invites proposals to include the deposit of mail in boxes along the star routes, as a further convenience to the people depending upon this class of service. If satisfactory bids shall be received covering this feature in the South Carolina service, it is the intention of the Department to extend it to other States as the contracts are relet.

New feature in star route service.

PNEUMATIC TUBES.

No extensions of the service for carrying the mails by pneumatic tubes were made during the last fiscal year, as the appropriation act limited such service to that now in operation. The tube service previously established in Boston, New York, Brooklyn, and Philadelphia has given entire satisfaction. Better results could be shown by developing the service in one or more of those cities, and to that end an appropriation of $500,000 is recommended.

Appropriation for development asked.

AUTOMOBILES.

A practical test is about to be made in Chicago to determine the feasibility of transporting the mails between the main office and branch post-offices by automobiles. In view of the prominence which these vehicles have recently attained in the development of the means of general transportation, it is believed that the time has come for utilizing them in connection with the carrying of the mails. If the test in Chicago shall prove favorable, automobiles will doubtless be introduced in some other cities for the purpose of carrying the mails between post-offices, branch offices, and railroad stations, as it is probable that time can be saved and better results obtained from a vehicle of this kind than from the ordinary regulation or screen wagon.

New means of transporting mails to be tested.

THE RAILWAY MAIL SERVICE.

The 1,268 lines of traveling post-offices in operation on June 30, 1899, aggregated in length a distance of 177,747 miles. The services of 8,460 clerks were required to operate these lines, who, in crews, traveled 193,529,142 miles. To accomplish this service, 3,506 cars and parts of cars were required, in addition to 63 cars on electric and cable lines and 71 apartments on steamboats. These clerks handled, during the year, 13,351,992,725 pieces of mail, an increase of more than 4 per cent over the number disposed of during the previous year. In addition to the ordinary mail, there were 17,537,058 packages, cases, and pouches of registered matter handled. There was but one error in every 10,000 pieces handled.

During the year casualties in the railway mail service resulted in the death of 6 clerks, serious injury to 50, and slight injury to 162. This annual sacrifice of the lives of brave men in the service of the people, which the Department sincerely deplores but is powerless to foresee or prevent, is the one distressing feature of the postal service. It is no more than just, and I strenuously and earnestly recommend, that the reiterated suggestion of the Department, that legislation be enacted by Congress looking to the relief of the families of clerks killed while on duty, be adopted.

Families of clerks killed while on duty should be assisted.

The question of the reorganization and reclassification of the railway mail service is one that has been before Congress several times, and should have early and favorable action.

WAGON SERVICE IN CITIES.

On June 30, 1899, there were 222 wagon routes, with an authorized expenditure of $733,921.05 per annum, an increase of 16 routes and a decrease in annual rate of cost of $722.86 as compared with the previous year. In the performance of this service large quantities of important mail matter are transported between railroad stations, steamboat landings, street-car lines, post-offices, and postal stations, and it is essential to a good administration that the service be promptly and carefully performed. Under existing law contracts for this class of service are awarded, after public advertisement, to the lowest bidder tendering the lawful guaranties with prescribed bond.

Competition between speculative contractors, usually residing at points far distant from the city in which the

service is to be performed, who have no interest in giving personal supervision to the service, and the efforts of such contractors to secure a profit from their contracts, have been detrimental to the service in many places and have caused the failure of a number of subcontractors during the past year. The evils growing out of the speculative competition in star service were noted in the report for 1898, and these statements apply with proportionately greater force to the wagon service.

Evils of speculative bidding.

I earnestly recommend that a remedy be provided and that Congress enact a law covering both star and wagon service enabling the Department to reject any bid for either of these classes of service that is not accompanied with a guarantee from the bidder under bond that in the event of the service on the route being awarded to him he will reside on or contiguous to such route and give his personal supervision to the performance of the work thereon throughout the contract term.

Legislation urged for correction.

MAIL EQUIPMENT FOR CUBA.

A distinctive mail equipment has been furnished the Cuban postal administration, and steps are now being taken to provide a similar equipment for Porto Rico and the Philippines.

FOREIGN MAILS.

The Department paid out for the transportation of foreign mails during the year $1,653,117.95. The clerks employed in this branch of the service distributed in transit 12,061,082 pieces of mail. The service which was necessarily discontinued on four routes during the late war was resumed in September and October of 1898.

Service discontinued during war resumed.

Steamship service was established between Miami, Florida, and Havana, Cuba; also between New York and Porto Rico.

PARCELS-POST CONVENTIONS.

Within a few months parcels-post conventions have been negotiated with Venezuela and with Germany. The former, though signed and approved, remains yet to be ratified by the Congress of Venezuela. The convention with Germany was completed and went into operation on the 1st of October. It is the first arrangement of the kind which has been made with any European country, and its consummation has excited much public interest.

Agreements now in force available as test of the system.

It will present the most important test which has yet been offered of the feasibility, efficacy, and cost of using the mails for the transmission of merchandise within limited weights, and the results of its practical operation will be carefully watched by the business community as bearing in the most significant way upon the further development of the system.

ANNIVERSARY OF THE POSTAL UNION.

A quarter of a century has elapsed since the Postal Union, now comprising all civilized countries, was founded in the city of Berne, Switzerland, in 1874, by twenty nations. The postal administration of Switzerland proposes to celebrate in that natal city next July, with appropriate ceremonies, the twenty-fifth anniversary of the birth of the Union, and has invited all the countries of the world to be represented on the occasion. As the Postal Union was the legitimate outgrowth of a conference held in Paris in 1863 at the instance of the United States, with a view to simplifying and improving international postal methods, I consider it eminently proper that this Department should be fittingly represented at the proposed anniversary commemoration, and I have therefore designated the Second Assistant Postmaster-General and the Superintendent of Foreign Mails for that duty. A small appropriation to cover the expenses of these representatives should be made.

Celebration to be held at Berne.

EXPENDITURES IN DETAIL.

The expenditures of the postal service for the year are shown, by items, in the following statement:

Transportation of the mails on railroads	$31,621,486.12
Compensation of postmasters	18,223,506.81
Free-delivery service	13,800,400.00
Compensation of clerks in post-offices	11,095,554.31
Compensation of railway post office clerks	8,429,980.00
Transportation of the mails on star routes	4,999,280.88
Railway post office car service	3,960,953.86
Transportation of foreign mails	1,629,749.83
Rent, light, and fuel for first, second, and third class offices	1,695,586.73
Mail-messenger service	907,668.25
Manufacture of stamped envelopes	536,155.79
Transportation of the mails—regulation screen or other wagon service	726,162.73
Transportation of the mails on steamboats	434,200.98
Special-delivery service	415,994.02

Mail depredations and post-office inspectors	$406,772.89
Mail bags and catchers	274,624.42
Transportation of the mails—electric and cable cars	255,684.19
Manufacture of postage stamps	178,000.00
Transportation of the mails—special facilities, etc	176,903.95
Manufacture of postal cards	142,786.40
Miscellaneous expenses for post-offices, including furniture	175,131.26
Balance due foreign countries	140,101.15
Blanks, blank books, etc., for money-order service	99,552.86
Registered package, tag, official, and dead-letter envelopes	86,108.24
Wrapping twine	89,999.95
Renting of canceling machines	80,436.67
Stationery for post-offices	54,881.57
Experimental rural free-delivery service	149,979.69
Postmarking and rating stamps	26,974.98
Establishment of temporary post-offices at military posts	200,000.00
	101,014,618.53
Expenditures under twenty-one smaller items of appropriations	420,651.46
Total expenditures for the year	101,435,269.99
Add expenditures during the year on account of previous years	196,890.93
	101,632,160.92

POSTAL REVENUE.

The postal revenue from all sources was as follows:

Sales of stamps, stamped envelopes, newspaper wrappers, and postal cards	$87,280,654.01
Second-class postage (pound rate), paid in money	3,527,032.26
Box rents	2,726,558.04
Money-order receipts	1,286,664.60
Letter postage paid in money, principally balances due from foreign postal administrations	98,031.38
Miscellaneous receipts	58,297.72
Fines and penalties	31,041.42
Receipts from unclaimed dead letters	13,104.74
Total receipts	95,021,384.17
Excess of expenditures over receipts	6,610,776.75

IMPROVEMENTS IN THE REGISTRY SERVICE.

The privilege of free registry of mail matter by the Executive Departments having been somewhat abused in the past, the Department is now making an effort to remedy the evil.

A notable step toward the popularization of the registry service is to be taken by the Department in authorizing

Registration at the door to be tried.

letter carriers in cities to accept and register mail matter at the door of the householder, thus saving the latter the loss of time and the inconvenience to which he would be subjected in going, perhaps, quite a considerable distance to the nearest postal station. This idea has been very well received by the patrons of the service, and gives every promise of successful operation and of adding considerably to the revenue of the Department through a more general use of the registry privilege. It is intended to extend gradually this increased facility in registering to the farmer and his family by permitting rural letter carriers to register matter.

Privilege of registering at night appreciated

Provision for the registration of mail at night, at the larger offices, has been made, and the opportunity thus afforded business men to send registered letters after the close of the day's business seems to be appreciated and is being availed of to a gratifying degree. These changes in the registry system are in the line of progress and a more popular and efficient postal system, and will undoubtedly result in a material increase of the revenue from that class of business, and tend to reduce the risk of loss and the temptation now held out by the presence of valuable matter in the ordinary mail.

PURIFICATION OF THE MAILS.

In my last annual report I called attention to the fact that the activity and energetic efforts of United States attorneys and of the officers and inspectors of this Department had resulted in excluding from the mails many lottery enterprises and fraudulent schemes and the punishment of their operators. The work of purifying the mails in this direction and of protecting the public against unscrupulous schemers has been steadily and earnestly prosecuted with exceedingly gratifying results.

REVISION OF POSTAL LAWS.

Prompt adoption of new code urged.

The commission to revise and codify the criminal and penal laws of the United States submitted to Congress at its last session a proposed revision of the criminal laws relating to the postal service, and in a special report urged its prompt enactment into law, in view of the many defects in existing statutes. The general statutes relating to the postal service have not been revised or codified for many years, and in view of the numerous changes and amend-

ments effected by legislation enacted during the interval, I have deemed it necessary to have prepared for presentation to Congress early in the coming session, in connection with the revision of the criminal laws, a codification of all other statutes relating to the postal service. The repeal of obsolete and useless sections will be requested and such additional legislation, not radical in its nature, recommended as experience has shown to be for the best interests of the service and of the public. I urge the prompt consideration and enactment into law of these proposed revisions of the statutes relating to the postal service. A new edition of the postal laws and regulations is now being prepared, and it will greatly facilitate the business of the Department if the legislation above outlined can be passed early in the approaching session of Congress, and thus be included in the new edition of the postal code.

INSPECTORS.

In my observation of the workings of the postal service, I have been much impressed with the importance of a thoroughly capable, efficient, and trustworthy force of inspectors. The inspectors are the eyes and ears of the Department. They make its examinations, conduct its confidential inquiries, pursue depredations, watch and trace suspected wrongs and offenses, and fulfill many delicate and vital functions. The quality of much of our work depends upon the intelligence and integrity of their service. With this view of the importance of their relations to the system, a steady effort has been made to improve the standard of the force, and I do not hesitate to let it be known that, beyond the legal requirement of eligibility under the civil-service law, a personal examination is made in all applications to determine the fitness and aptitude of the candidate for the special position he seeks, and the effect is apparent in the increased efficiency of the division.

Fitness for the work a prerequisite of appointment.

LOSSES OF REGISTERED MAIL.

The percentage of registered mail lost is growing smaller year by year. The records of the Department show that during the year just closed the employees of the service handled about 15,900,140 pieces of this class of mail, with an average loss of only one piece to every 25,980 handled. This compares favorably with the preceding fiscal year,

Decrease in losses.

when the records disclosed a loss of one piece to every 24,608 handled.

Of 7,034 complaints of loss received during the year 5,183 were investigated by inspectors, and in 3,420 cases it was found that no actual loss had occurred, and in 1,312 the full amount of the loss was recovered, leaving a total of only 451 cases in which the complainants actually sustained losses.

LOSSES OF ORDINARY MAIL.

With the largely increased volume of postal business a corresponding increase may be observed in the number of complaints made in regard to the loss of ordinary mail. Throughout the year complaints were received to the number of 82,124, an increase of 10,606 over the number received during the previous year.

DETAILS OF ADMINISTRATION.

Three hundred and twenty-three post-offices have been raised in grade during the year because of their increased receipts.

There were 16,086,022 pieces of registered matter handled in the post-offices throughout the country. Registry fees were collected to the amount of $1,072,886.72, an increase of 7.48 per cent over the previous year.

Number of pieces mailed.

It is estimated that 6,576,310,000 pieces of mail matter of all kinds were deposited in the mails during the year. Of this vast quantity of mail, letters, paid and free, amounted to 3,015,092,000, while newspapers and periodicals, constituting second-class matter, were mailed to the number of 2,173,716,000.

The value of the special-delivery stamps used during the year was $547,360.50 and the amount expended for special delivery was $415,994.02, leaving a profit to the Government of $130,742.49, after deducting $623.99, the cost of manufacturing the stamps.

Amount of stamped paper issued.

There was a total of 4,917,269,025 postage stamps, stamped envelopes, postal cards, etc., issued to postmasters, the face value of which amounted to $90,151,659.71, an increase of $2,839,349.34, or 3.25 per cent., over the issues of the previous year.

The total weight of second-class matter mailed by publishers and news agents was 352,703,226 pounds, on which postage was paid to the amount of $3,527,032.26. Adding the estimated weight of this class of matter which is mailed

free in the counties of publication, gives a total of mailings for the year of 414,944,972 pounds. The number of post-offices at which second-class matter was mailed is 9,397, an increase of 19 over the previous year.

During the last fiscal year 1,159 claims of postmasters, for losses resulting from burglary, fire, etc., were considered, and allowances made to the amount of $81,713.08. Of these claims 360 had been filed during the previous year, and were pending at its close; 1,088 claims were received during the year, of which 795 have been passed upon, leaving 293 cases unsettled on June 30, 1899. Of the total amount allowed for losses, $12,590.30 was for postal funds, $55,236.05 for postage stamps and stamped paper, and $13,886.73 for money-order funds. Of the total amount of claims, $17,618.59 was for losses by fire, $56,710.80 by burglary, $4,495.58 while in transit from post-offices to depository offices, and $2,888.11 from miscellaneous causes.

There were 2,935 post-offices established during the fiscal year ending June 30, 1899, while 1,505 offices were for various reasons discontinued. Presidential postmasters were appointed in the same period to the number of 1,081, as follows: On resignations, 40; on expiration of commissions, 603; on removals, 205; on deaths, 36; on the elevation of offices to the Presidential grade, 197. Appointments.

There were 13,523 appointments made to fourth-class offices, divided as follows: On establishment of offices, 2,935; on resignations, 6,970; on removals, 2,721; on deaths, 879; upon relegation of Presidential offices to fourth-class, 18.

At the close of the fiscal year the total number of post-offices in the United States was 75,000, a remarkable increase since 1799, when there were but 677 post-offices operated by our Government. Number of post-offices.

Under the act of Congress of August 13, 1894, bonds of surety companies have been accepted in the case of first and second class offices for one-half the penalty, provided the company giving the guaranty was incorporated under the laws of the State in which the office is located. Corporate bonds are not, however, accepted for third and fourth class offices. The aggregate amount of the penalties of all postmasters' bonds now in force is about $130,000,000.

There have been 80 post-offices discontinued throughout the country as the result of the establishment of rural free-delivery routes in their neighborhood, resulting in a cut- Post-offices discontinued.

ting off of $4,719 in salaries of postmasters. It has been found desirable, however, to reestablish a number of these offices at the urgent solicitation of patrons, and other like requests are under consideration.

The results from the order directing the yearly inspection at the 28,754 money-order offices have been highly beneficial. All errors and irregularities are now brought promptly to the attention of the Department, and a perceptible improvement has been noted in this branch of the service.

Arrests for violation of postal laws.

During the year arrests for various offenses against the postal laws were made to the number of 1,679, of which 119 were postmasters, 31 assistant postmasters, 41 clerks in post-offices, 21 railway postal clerks, 34 letter carriers, 49 mail carriers, 34 employed in minor positions, and the remaining 1,350 had no connection with the service. Nine hundred and sixty-three of the total number of cases were tried in the United States courts, convictions being secured in 631. At the close of the year there were 601 of this class of criminal cases awaiting trial. Eighty-seven cases were disposed of by State courts, and resulted in 68 convictions and 19 acquittals.

LEGISLATION NEEDED.

In connection with the mail transportation service I beg to recommend the following legislation by Congress:

Publishers should be required to separate second-class mail.

To punish persons who by force attempt to enter a car or apartment in a car used for the distribution of mail, or who may assault a railway mail clerk while in the discharge of his duties as such.

To provide for the compulsory separation by publishers of second-class mail matter. While the majority of the publishers have shown a willingness to undertake this work at the request of the special officer in charge of it, a few are unwilling to cooperate with the Government in this matter, which saves expense to the Department and facilitates dispatch of mail.

I also submit, with my approval, the following recommendations for legislation made by the Fourth Assistant Postmaster-General:

Amendment to interstate commerce law recommended.

That the interstate-commerce law be amended to prohibit common carriers, to wit, telegraph and express companies, or any of their employees, from aiding and abetting in the green goods or lottery swindles, or any other

scheme carried on partly by mail and partly by common carrier, and which is in violation of the postal laws.

That a statute be enacted authorizing post-office inspectors to take out search warrants whenever the same may be necessary in the prosecution of their official duties.

That an appropriation be made for the purpose of constructing lookouts wherever, in the opinion of the Postmaster-General, the same may be needed.

That provision be made for the payment of incidental expenses incurred by local officers or others in the arrest, detention, and keeping of prisoners charged with violations of the postal laws until such prisoners can be transferred to the custody of a United States marshal.

I do not wish to close this report without gratefully acknowledging the intelligent, faithful, and zealous cooperation of my assistants and of all who are responsibly connected with the various bureaus and divisions of the Department. They have devoted themselves to their duty with ability and earnestness, and have had the aid of a capable and efficient force. It may justly be added that the postal service, which is conspicuously the business branch of the Government, is being conducted more and more year by year upon business principles.

I have the honor to be, very respectfully,

CHARLES EMORY SMITH,
Postmaster-General.

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PAPERS

ACCOMPANYING

THE REPORT OF THE POSTMASTER-GENERAL.

REPORT OF THE ASSISTANT ATTORNEY-GENERAL FOR THE POST-OFFICE DEPARTMENT.

OFFICE OF THE ASSISTANT ATTORNEY-GENERAL
FOR THE POST-OFFICE DEPARTMENT,
Washington, November 27, 1899.

SIR: The claims division of this office during the fiscal year ended June 30, 1899, considered and passed upon claims of postmasters for alleged losses by fire, burglary, and unavoidable casualties, under the provisions of the acts of Congress approved May 9, 1888, and June 11, 1896; the number of which claims is stated below:

Unsettled claims that came over from the preceding fiscal year	360
To which was added claims received during the fiscal year covered by this report	1,088
Total	1,448
Remaining unsettled June 30, 1899	293
Settled during the present fiscal year	1,155
Previously disallowed and allowed during the present fiscal year	4
Total number settled during the present fiscal year	1,159

Of the above number of claims passed upon during the fiscal year ended June 30, 1899, six hundred and sixty-two were allowed, amounting to $81,713.08, and 497 were disallowed, dismissed, or withdrawn.

During the preceding fiscal year claims were allowed amounting to $78,099.21.

In the fiscal year preceding that, to wit, the year ended June 30, 1897, claims were allowed aggregating $119,350.90.

For the fiscal year ended June 30, 1896, the allowances on claims amounted to $104,640.19.

It is gratifying to note that the amount of said losses during the fiscal year under consideration was only slightly increased over that of the preceding year, and that it is much less than that during each of the years preceding that one. The falling off in amounts is probably due to the increased care and vigilance of postmasters having public funds in their custody.

An analysis of the losses for which allowances were made, as stated above, shows:

Loss by fire	$17,618.59
Burglary	56,710.80
Miscellaneous causes	2,888.11
Losses of funds in transit from post-offices to depositories	4,495.58

The claims division is conducted by two clerks, one of them the chief thereof, who gather evidence concerning each claim, brief it, and submit it to the Assistant Attorney-General, who revises the entire case and submits it, with his recommendation, for final action to the Postmaster-General.

LAW OPINIONS.

During the fiscal year under consideration 336 original opinions on lottery schemes of various kinds, arising under the provisions of the act of September 19, 1890, and amendment thereto, were prepared by this office, as were also 136 opinions on claims for rewards, filed by sundry persons, under the provisions of the several proclamations issued by the Postmaster-General, for services in arresting and convicting persons guilty of crimes against the criminal postal code of this Department, and 175 written opinions on miscellaneous cases submitted to this office affecting the postal service in various ways, nearly all of which were important and many of them determining the basis upon which large sums of money were expended or the grounds upon which claims of a miscellaneous character were rejected.

PARDONS.

In addition to the written opinions alluded to above, applications for pardon or for commutation of sentences pronounced against persons convicted of violation of the postal criminal statutes were, at the request of the Attorney-General, fully considered and annotated, and reported upon to the Attorney-General, with recommendations pro or con.

COMPROMISES.

During the fiscal period referred to, 35 cases, known as "Compromise cases," in which offers were made to settle indebtedness to the Department, under the provisions of sections 295 and 409 of the Revised Statutes, were submitted to this office by the Postmaster-General, fully considered, briefed, and returned to him for his final action thereon.

REPORTS OF POST-OFFICE INSPECTORS.

There were also received from the division of post-office inspectors and mail depredations of this Department 1,042 cases, accompanied by statements of the evidence which had been gathered by post-office inspectors in connection with alleged criminal violations of the postal laws, the evidence in each case being carefully analyzed and considered, and written reports thereon made to the Fourth Assistant Postmaster-General as to the advisability of commencing criminal prosecutions or of discontinuing prosecutions in such cases already commenced.

ALLEGED SCHEMES TO DEFRAUD.

In addition to all this, hundreds of cases of fraud, alleged to have been promoted by the use of the mails, came to this office from the outside public as well as from postmasters and other postal officials, each of which was considered and disposed of by referring it to the division of post-office inspectors and mail depredations of the Post-Office Department for investigation and prosecution or dispensed with by notifying the person from whom it emanated.

"FRAUD ORDERS."

Ninety-nine "fraud orders" were issued during the year, 90 of them directed against schemes devised for the purpose of obtaining money or property by means of fraudulent pretenses, representations, and promises, only 9 of them being issued against lotteries or gift enterprises for the distribution of prizes by lot or chance. This statement shows concisely and clearly how completely the lottery business of all kinds which crept into the mails has been checked and broken up.

Of the 99 "fraud orders" issued 4 were subsequently revoked on receipt of evidence that they had accomplished the purpose for which they were issued.

It is needless to repeat what has been stated in former reports of this office, that great care is exercised in determining the precise character of the business operations of any person against whom complaints have been made for alleged violation of the lottery or fraud law before the harsh remedy of excluding said person from the use of the mails is resorted to.

CUBAN AND PORTO RICO POSTAL CODES.

Another important and difficult work performed in this office during the fiscal year embraced in this report was the preparation of the full postal code for Cuba, and another and separate code for Porto Rico, both of which were subsequently promulgated by the War Department by direction of the President.

FORCE OF THE OFFICE.

It is pertinent and proper to state in this connection that the vast volume of business relating to lotteries and frauds, crimes of all kinds, compromises, advice to the several bureaus of the Department, as well as to the Postmaster General, and to postmasters throughout the country, and the labor of preparing legal opinions, many of them involving diligent and patient search of authorities, and the preparation of the postal codes above referred to, has been transacted by the Assistant Attorney General, his assistant, and three stenographers and typewriters, which statement will give some idea of the important work and the extent thereof which was performed by them.

PROCEDURE IN CRIMINAL PROSECUTIONS.

The necessity of furnishing this office with prompt information concerning prosecutions against violators of criminal postal statutes, as

well as information relating to civil cases in which the business of this Department is concerned, pending in and disposed of, by the Federal courts, has been alluded to in two or three of my former reports. I can not do better than to quote from one of these reports two or three paragraphs, which clearly and precisely present this subject, to wit:

Nearly or quite all the offenses against the postal laws relating to crimes and misdemeanors which reach the courts are discovered by the inspectors of this Department, and as a preliminary step, in many cases, they refer the facts to this office and await instruction. Hence, the facts in each of said cases are dissected here and the inspector notified that a case of probable guilt has or has not been developed. After it goes to the United States attorney for his consideration we rarely know anything more about it until, by special inquiry of the Department of Justice or information obtained from newspapers, we learn that the case has gone to trial, resulting in conviction or acquittal, or has been disposed of on demurrer, or motion to quash, or by other means well known to lawyers. And when the decision of the court involves a discussion of the law and a ruling thereon, or instructions to a jury in which the applicability of the law is stated (which is often the case), this Department is generally informed of the fact a long time afterwards, if at all. It is rarely consulted about the management of the case, or has any further official connection with it, unless the accused, through influential friends, asks for a discontinuance of proceedings, or after conviction and sentence, appeals for commutation of sentence or pardon, when the matter is brought to the attention of the Postmaster-General, who is then asked to determine whether the prayer for mercy should be granted.

I respectfully submit that this custom should be discontinued, and that the management of prosecutions for offenses against the postal laws should devolve on this office. It has happened in quite a number of instances that this office has construed and applied the provisions of a statute differently from a decision of a Federal court remote from the national capital, and has continued in this inconsistent course, thus producing confusion and mischief, for sometime before the conflict of rulings has been brought to its notice.

CIVIL PROCEDURE.

What is suggested as to criminal prosecutions applies with almost equal force to civil actions. There seems to be no good reason for a divided jurisdiction in cases applying solely to postal matters, and I therefore recommend that the Department of Justice shall be consulted concerning the advantage to be gained by transferring the consideration and management of such cases to the Post-Office Department, and as to whether this could be done without legislation.

Inasmuch as the Assistant Attorney-General for this Department is, under the provisions of statute, an officer of the Department of Justice, there would be no inconsistency in having the regulations of both Departments so changed as to give the law officer of this Department, if not an exclusive, yet a concurrent jurisdiction over matters of this kind.

PROPOSED REVISION OF LAWS.

Important and necessary changes in the statutes relating to crimes and misdemeanors against the postal laws have been suggested to the Commission to Revise and Codify the Criminal and Penal Laws of the United States, now in existence, and its revision relating to this Department was submitted in a special report to the last Congress, too late, however, to be enacted into law. Doubtless this report will be promptly taken up at the approaching session of Congress and favorably acted upon by it.

In addition to this criminal code numerous changes relating to the civil service of the Department have been suggested by experience, and a memorandum of these has been kept in this office with a view of preparing a consolidation or revision of all statutes relating to the

postal service, which will, on completion, be submitted to the Postmaster-General for his approval, with the recommendation that it be brought to the attention of Congress.

APPROPRIATION FOR LAW BOOKS.

I can not too strongly urge the importance of a specific appropriation for the purchase of law books for this office. It is impossible for us to keep up with the current legal literature, with the decisions of courts, and with the changing adaptation of legal principles to new cases, all of which can only be obtained by the acquisition of the most approved modern, standard law books and by subscriptions to law magazines. The appropriation for books in this Department (which is general, and which applies to the purchase of books for all branches of the Department) is, even excluding the necessities of this office, exceedingly meager. To depend on that appropriation for such books as we feel we absolutely need would be to deprive us entirely of the opportunity to acquire them. Hence, a separate estimate was submitted by this office to be embodied in the Book of Estimates, and which I assume was incorporated therein; and I now desire to supplement that by urgently insisting that you will aid us in obtaining such an appropriation as will add to our library what we so much need.

EDITING AND PUBLISHING OPINIONS.

I renew with more earnestness than heretofore my recommendation as to the importance, if not necessity, of editing and printing into volumes the opinions of the Assistant Attorneys-General of this Department since the establishment of the office. The opinions of the Assistant Attorneys-General for the other Departments, the decisions of the Comptroller of the Treasury, etc., have always been carefully edited and published. There is no reason why this should not be done for the Post-Office Department; in fact, it seems to me even more important that it should be done here than in any of the other Departments, for they constitute almost the only precedent for executive action in many of the most important cases that have come before the Department. I therefore earnestly recommend that Congress be asked to provide, by appropriation, for the compiling of these opinions into volumes.

Very respectfully,

JAS. N. TYNER,
Assistant Attorney-General for the Post-Office Department.

To the POSTMASTER-GENERAL.

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REPORT OF THE FIRST ASSISTANT POSTMASTER-GENERAL.

POST-OFFICE DEPARTMENT,
FIRST ASSISTANT POSTMASTER-GENERAL,
Washington, November 6, 1899.

SIR: You will doubtless be impressed in perusing this my third annual report, the same being for the fiscal year ended June 30, 1899, by the unprecedented growth of that portion of the postal service coming within the jurisdiction of my bureau.

The division of salaries and allowances, controlling the salaries of postmasters, the pay of post-office clerks, and the general interior expenses of operating the post-offices of the country, and the division of free delivery, controlling the exterior expenses of the postal-delivery system, represent the two most active branches of the general postal service—those branches which come most directly in contact with the people. The reports from these two divisions, with their multifarious details, can not, therefore, fail to be of special interest, and it is in regard to the operation of these divisions that I desire to make my most careful and earnest recommendations.

I wish to ask your especial attention to the estimates for postmasters' salaries, in which will be found a brief statement indicating the great growth of the service during the past fiscal year. There were 215 fourth-class post-offices raised to the rank of third class, 91 third-class post-offices advanced to the rank of second class, and 17 second-class post-offices which became post offices of the first class during the year. These changes of grade indicate such an increase in postal business as must soon place the service on a self-sustaining basis.

The item recommending a separate appropriation of $1,426,600 for salaries of assistant postmasters of the first and second class is apparently a very large increase for this purpose. In reality the increase is not large. All assistant and deputy postmasters, by whatever designation known, have heretofore been and are being paid from the regular clerk hire appropriation salaries approximating 50 per cent of the salaries of the postmasters for whom they act. It is my belief that it is not only more just, but that it simplifies the situation to make the salaries of assistant postmasters a compulsory and definite tax upon the appropriation rather than to leave it an optional charge. Some assistant or deputy postmasters now receive 50 per cent of the salaries allowed to the postmasters under whom they serve, others receive 40 per cent, while others receive 30 per cent or less, as is shown by the detailed statement to be found in this report. I know of no reason why one assistant postmaster should be treated differently from another, nor do I know any reason why the amount of salary paid an assistant postmaster should be left discretionary to the First Assistant Postmaster-General (except as he is governed by the appropriation) any more than the salaries of postmasters, which are fixed by law.

Probably no post office legislation has given such an impetus to the discipline of the force inside of post-offices as the act of the last Congress increasing the salaries of clerks in post offices. And yet that act was only one step in the right direction. I have renewed my recommendation for the reclassification of clerks in the first and second class post offices, and earnestly request your cooperation in securing that legislation. For many years it has been extremely difficult to retain in the post-office service young men who possess eminent fitness for the

work. There was no special incentive for them to remain in any clerical position within the post-office. A position in that service was accepted as but a place to tarry in until a better was secured—as but a starting point for other work. We should encourage capable young men to remain with us.

Up to this time the law and the practice of the Department have discriminated in favor of the railway-mail clerks and letter carriers against the post office clerk by providing for the two former classes regular classification grades and ignoring the latter class. By natural operation of law the railway mail clerks and letter carriers are provided with an annual increase of pay up to a certain limit, whereas the post office clerk has been left to the mercy of the Department, under the law, and to the generosity of Congress. There has been no reclassification of post office clerks since 1893, since which time the post office service has been more than doubled, and the conditions of the service, as well as of the country, have entirely changed. There is, therefore, special necessity for immediate action by Congress in this direction. The great prosperity throughout the country is inviting our bright, young post office clerks into other and more alluring paths of life.

I can not too often urge the necessity for post-office consolidation. I have again repeated my recommendation for the repeal of what is known as the "Gorman Act," which forbids the abolition of a post office at a county seat. If, however, Congress should find any serious objection to the repeal of the act referred to, I would suggest as an alternative that the appropriations for certain purposes hereafter named be made interchangeable. For example, let the appropriation for the salaries of postmasters be made available for the payment of rentals and other incidental expenses of postal stations established in lieu of post-offices.

In nearly every instance post-office consolidations result in a net saving to the Government; in every instance there is a marked improvement in the public service.

It may be contended that post office consolidations may be made just as well by reason of the saving effected, without making appropriations interchangeable or without providing an increased appropriation for clerks, rent, light, and fuel; but, under present conditions, there is no incentive for executive officers to save money out of an appropriation the surplus of which must necessarily revert to the Treasury, and to meet the necessary expenses out of another appropriation already overburdened by demands. If by providing means to improve the service a substantial incentive were offered for extra energy in the direction of improving the service, the result would doubtless be of great benefit in every direction. But if one branch of the service must suffer in order that another branch may be improved, there is little to encourage the Executive Department in its efforts to advance the entire service.

I refer with pardonable pride to the comparatively small increase in the proposed appropriations for postmasters, clerks, and letter carriers as compared with the general increase in post office receipts. On these branches of the service the greater part of the burden must fall when there is a material increase of post-office business. Personally assuming no especial credit for bringing about this satisfactory result, I think the country is to be congratulated upon the excellent showing made.

I desire to call your attention to the phenomenal growth of the receipts in the free delivery service, the same being 21.64 per cent larger than those of the preceding year, while the cost of maintaining

the service has increased only 3.9 per cent, and the cost of the whole service has dropped to the lowest proportionate figure since the enactment of the eight-hour law, the same being but 20.66 per cent of the gross receipts.

In considering the recommendation for an increase of the appropriation for carriers and the extension of the service under free delivery it should be borne in mind that the gross receipts for the fiscal year were $68,957,815.81, an increase of $12,276,011.13 over the corresponding period of last year, and that for several years past the appropriations for the carrier service have not kept pace with the increase of business.

I also call attention to the recommendation for a change of the law entitled "An act limiting the work of letter carriers to eight hours a day." This proposition is fully treated on page 28 under the head, "The eight-hour law," in which I reiterate the recommendation contained in my last report.

Much space is given in my report to a full presentment of facts in regard to rural free delivery. I believe this service has now reached a critical stage in its existence. It passed last year beyond the point of experiment; its permanent establishment is, in my judgment, now only a question of discreet and careful postal administration. I have given to this service more thought and attention than to any other subject coming under the control of my bureau, and I verily believe that, in nine instances out of ten, where rural free delivery is put in operation the growth of the revenues from the increase of the mails, resulting from increased postal facilities and the economies made possible by the discontinuance of other service which can be dispensed with, will render rural free-delivery service in no sense a burden upon the Government within six months after its establishment. In many instances it has been shown that within sixty days the increase of receipts and the saving in the cost of service discontinued more than equal the increased expenditures.

In reviewing the entire work of the year it is a matter of gratification to state that, notwithstanding the vast increase of business, the daily routine of my department in all its divisions has been so admirably kept up by those in charge and by the efficient clerks under their control that there are no arrears of work anywhere, but that at the end of each day that day's work is closed with the punctual regularity of a well organized bank. Only a few years ago the correspondence of the most important divisions of this office was in a state of chronic and apparently almost hopeless arrears.

This condition of things has been overcome. Everything is entirely up to date. This has been brought about by the introduction of business methods, and in effecting this improvement in the public service I have had the earnest cooperation of all the officers of divisions under my charge. It gives me pleasure once more to acknowledge the loyal aid I have received from Mr. George M. Allen, chief clerk; Mr. George W. Beavers, chief of salary and allowance division; Mr. A. W. Machen, chief of free delivery division; Mr. M. W. Louis, chief of division of post-office supplies; Mr. J. T. Metcalf, chief of money-order division; Mr. D. P. Leibhardt, chief of dead-letter office; Mr. J. R. Ash, chief of correspondence division, and from the special agents in charge of the eastern and western divisions of the rural free-delivery service, Mr. H. Conquest Clarke and Mr. Francis M. Dice; also Messrs. William G. Edens and Charles Hedges, assistant superintendents of free delivery, in charge of the western and eastern divisions, respectively.

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REPORT OF THE SECOND ASSISTANT POSTMASTER-GENERAL.

POST-OFFICE DEPARTMENT,
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., November 3, 1899.

SIR: I have the honor to submit the following report of the office of the Second Assistant Postmaster-General for the fiscal year ended June 30, 1899:

MAIL SERVICE IN GENERAL.

The mail service in operation on June 30, 1899, was as follows:

Service.	Number.	Aggregate length.	Annual rate of expenditure.
		Miles	
Star routes	22,482	269,452.47	$5,114,943.83½
Special office routes	1,398	11,092.80	28,141.42
Seamboat routes	178	31,169.24	5[illegible]4,454.51
Railroad routes	2,617	176,726.95	[illegible]1,942,150.88
Railway post-office car routes	238	43,178.33	4,175,724.86
Railway post-office clerks	8,388	.....	8,6[illegible]7,[illegible]2.00
Mail-messenger routes	7,134	5,056.94	[illegible]1,568.97
Wagon routes (in cities)	222	1,523.58	7[illegible]1,924.05
Electric and cable routes	267	1,926.88	2[illegible]5,448.73
Pneumatic-tube routes	5	8.05	2[illegible]2,[illegible]00.00
Necessary and special facilities on trunk lines	.....	.....	1[illegible]7,722.50
Mail equipments	.....	.....	325,341.16
Total inland service	.....	.....	53,076,413.91½
Foreign mail service:			
Aggregate cost	.....	$1,895,072.10	
Less for intermediary service to foreign countries	.....	251,954.15	1,643,117.95
Total	.....	.....	54,719,531.86½

Summary of all classes of domestic mail service in operation June 30, 1899.

Number of routes		34,298
Length of routes	miles	496,948.86
Annual rate of expenditure		$53,076,413.91½
Number of miles traveled per annum		445,744,845.20
Rate of cost per mile of length		$106.80
Rate of cost per mile traveled	cents	11.90
Average number of trips per week		8.62

Comparison with the report for June 30, 1898, shows:

		Per cent.
Increase in routes	503	or 1.48
Increase in length of routes	miles 16,487.18	or 3.43
Increase in annual rate of expenditure	$1,678,646.50½	or 2.56
Increase in miles traveled per annum	11,412,153.46	or 2.62
Increase in rate of cost per mile traveled	cents .07	or .59
Decrease in rate of cost per mile of length	$0.17	or .15
Decrease in average number of trips per week	.07	or .80

MAIL SERVICE IN DETAIL.

STAR SERVICE.

Number of routes		22,482
Length of routes	miles	269,452.47
Annual travel	do	132,068,807.44
Annual rate of expenditure		$5,114,943.83½
Average number of trips per week		4.71
Rate of cost per mile of length		$18.98
Rate of cost per mile traveled	cents	3.87

Comparison with report of June 30, 1898, shows—

		Per cent.
Increase in number of routes	701	or 3.21
Increase in length of routes.....miles	3,317.44	or 1.24
Increase in annual travel.....do	4,962,770.98	or 3.90
Increase in average number of trips per week	.12	or 2.61
Decrease in annual rate of expenditure	$195,647.64½	or 3.68
Decrease in rate of cost per mile of length	$0.97	or 4.86
Decrease in rate of cost per mile traveled.....cents	.30	or 7.19
Number of contracts drawn in duplicate during the year	7,554	
Proposals received during the year under general advertisement	39,485	
Proposals received during the year under bulletin advertisements	10,403	

The appropriation for the last fiscal year was $5,095,000. The sum reported by the Auditor as expended, so far as shown by accounts stated to September 30, 1899, is $4,999,280.88, leaving an unexpended balance of $95,719.12. From this amount, however, must be deducted all accounts chargeable to the appropriation for that year which had not been stated by the Auditor up to September 30, 1899.

The annual rate of expenditure on July 1, 1899, under contracts made during the past fiscal year for the performance of star service from July 1, 1899, to June 30, 1903, in the third contract section, embracing the States of Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, and Missouri, was $921,797.25¼, a decrease in the annual rate of expenditure for star service in the same section on June 30, 1899, of $138,218.57, although the annual travel was increased 1,143,770.88 miles. This represents a saving during the four-year contract term of $552,874.28.

The annual rate of expenditure was:

July 1, 1899	$4,989,335.98½
September 30, 1899	5,069,357.83½

The appropriation for the current fiscal year is $5,025,000.

The amount estimated as necessary for the fiscal year ending June 30, 1901, is $5,240,000, being $215,000, or 4.27 per cent, more than the appropriation for the current fiscal year.

The general advertisement issued September 15, 1899, and now pending, invites proposals for carrying the mails during a term of four years from July 1, 1900, on all the star routes in the second contract section, embracing the States of North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Tennessee, and Kentucky. The advertisement contemplates an increase of 168 routes, of 155.99 miles in length of routes, and of 2,243,070.24 miles of annual travel, an increase in the latter item of 7.75 per cent.

In my report of last year I described at some length the evils connected with the system of speculative bidding for star route contracts, and recommended legislation limiting the consideration of bids to those received from persons residing upon or contiguous to the route upon which the service was to be performed. When the post-office appropriation bill passed the Senate at the last session of Congress it included a provision looking to this end, but as such provision was struck out before the bill became a law, the system against which so much complaint has been made still continues.

For a long period of years, beginning probably early in the history of the star-route service, it has been the practice of many people living along the line of star routes to arrange with the carriers to receive for the addressees mail matter at the nearest post-office on the route, in one direction or the other, and deposit the same in boxes placed along the routes at points convenient to the residences of the addressees.

There has been no contract obligation resting upon the carrier to perform such service, consequently it is entirely optional with him, depending upon his willingness to accommodate the people or upon the inducements held out by them. Thus it has been within the power of a carrier to discriminate against some while accommodating others. With a view to insuring such service to all persons living along the line of star routes who may desire it, this office, in issuing its advertisement of September 15, 1899, for carrying the mails on star routes in the State of South Carolina for the next contract term beginning July 1, 1900, invited proposals in two ways: First, as heretofore: and second, to include the deposit of mail in boxes along the route. The provision incorporated in the advertisement reads as follows:

MAIL CARRIERS TO DEPOSIT MAIL IN BOXES ALONG THE ROUTES.

In addition to proposals for carrying the mails on the routes and subject to the conditions hereinbefore set forth, proposals will also be received for carrying the mails on the same routes in the State of South Carolina, subject to the same conditions, and also subject to further requirements, as follows:

Any person living on or near any star route herein described who desires his mail deposited in a box on the line of the route by the carrier on said route may provide and erect a suitable box on the roadside, located in such manner as to be reached as conveniently as practicable by the carrier, and such person shall file with the postmaster at the post-office to which his mail is addressed (which shall be one of the two post-offices on the route on either side of and next to the box) a request in writing for the delivery of his mail to the carrier on the route for deposit in said mail box, at the risk of the addressee.

It shall be the duty of the postmaster at every such post-office, upon a written order from any person living on or near the star route, to deliver to the proper mail carrier for that route any mail matter, except registered mail, with instructions as to the proper mail box at which said mail matter shall be deposited; but no mail matter so delivered to a carrier for deposit shall be carried past another post-office on the route before being deposited in a mail box.

The carrier on the star route will be required to receive from any postmaster on the route any mail matter that may be intrusted to him, outside of the usual mail bag, and shall carry such mail matter to and deposit it in the proper boxes placed on the line of the route for this purpose; such service by the carrier to be without charge to the addressees.

The mail carriers must be able to read and write the English language and be of sufficient intelligence to properly handle and deposit the mail for boxes along the routes.

Proposal blanks for service in South Carolina will be furnished in such form that bidders may submit proposals on one blank for the two classes of service, viz: (1) For carrying the mails between post-offices only (or to and from other routes), without being required to deposit any in boxes along the line of route; and (2) for carrying the mails between post-offices (or to and from other routes), including the depositing of mail in boxes along the line of route.

When the bids shall have been received it will be possible to determine the additional cost, if any, attending the proposed change. If it shall be found practicable to make the new contracts for South Carolina cover this feature, then similar provision can be made as to star routes in other States from time to time as the service is relet. Thus the accommodation now enjoyed by some as a courtesy at the hands of the carrier, and by others for a consideration paid by the individuals, and which may be denied to others, will be guaranteed by the Department to all persons living along the line of star routes. Mail carriers are already required by law, and have been for many years, to receive any mail matter presented to them along their routes, if properly prepaid by stamps, and deliver the same for mailing at the next post-office at which they arrive, without special fees therefor.

Alaska.—The interior of Alaska, along the Yukon River, was dependent last winter for its mail supply upon the two routes extending from Juneau, via Dawson City and Circle, to Tanana, and from Tanana to

St. Michael. The full winter service contemplated by the contract was not performed by the contractor, but much was done by our agent at Skagway in the matter of arranging for temporary service.

It is probable that there is a period late in the autumn, while the Yukon is freezing, and another in the spring, while the ice is breaking, when it is impracticable, under conditions heretofore existing, to maintain regular trips, but at other times there should be few, if any, failures to make the required number of trips if the contractor make suitable preparation in advance and provides the proper supplies and equipment.

On October 1, 1899, a contract went into effect for a new route from Valdez, on Prince William Sound, through the interior, to Eagle and Circle. Last summer a military expedition, sent out by the War Department and accompanied by a post-office inspector, went through this section of Alaska from Valdez to Eagle, concerning which but little information had previously been obtained. When this route is put into successful operation it will provide an additional means of transporting mail to Yukon points in Alaska, and it is the only mail route running from the southern coast to the interior of Alaska in the winter season entirely over United States territory. The contract for this service contemplates one round trip a month at a compensation of $1,415 per single trip one way for the first 100 pounds of through mail, and $200 per single trip one way for each additional 100 pounds.

Provision was also made last winter for a monthly steamboat service to points on the southern coast of Alaska between Sitka and Unalaska which formerly were without mail supply from November to April, inclusive. This monthly winter service will be continued. Additional summer supply by steamboat for coast points between Juneau and Kadiak was provided; also service from St. Michael to the gold mining district at Cape Nome.

The usual summer arrangements for sending all classes of mail by steamers from San Francisco and Seattle to St. Michael and points along the Yukon to Dawson City were renewed, and these mails were forwarded in charge of postal clerks with instructions to make every possible effort to insure safe delivery.

For the better supervision of the service during the coming winter postal clerks have been detailed to Skagway, Circle, St. Michael, and Valdez, with authority to employ temporary carriers in event of failures on the part of contractors. With the facilities and safeguards thus provided it is confidently expected that the people of the interior of Alaska will have better mail service during the current fiscal year than ever before.

SPECIAL OFFICE SERVICE.

The amount expended for this class of service during the year ended June 30, 1898, was $23,742.33; during the year ended June 30, 1899, $28,141.42.

The number of special offices on June 30, 1899, was 1,398, with an aggregate length of 11,092.80 miles, and an annual travel (estimated on the basis of 2.04 average trips per week) of 2,354,812.74 miles.

Comparison with the previous year shows:

		Per cent.
Decrease in number of routes	372	or 21.01
Decrease in length of routes ..... miles	453.28	or 3.92
Decrease in annual travel ..... do	651,900.64	or 21.68
Decrease in average number of trips per week	.46	or 18.40
Increase in annual expenditure	$4,399.09	or 18.52
Increase in rate of cost per mile of length	$0.48	or 23.41
Increase in rate of cost per mile traveled ..... cents	.32	or 40.50

The compensation of this class of service is limited by law (Rev. Stat., sec. 3971) to an amount not exceeding two thirds of the salaries paid to the postmasters at the several offices supplied, the postmasters being authorized to secure such frequency of service as may be practicable for that sum.

The expenditures for this service are chargeable to and included in the estimate for star service.

Special office service is regarded as but a temporary arrangement for the supply of newly established post-offices that are not on or near the lines of existing routes, and as soon as the new office shows a number of people to be supplied, or an amount of mail to be carried that will justify such action, regular contract service is provided for its supply.

STEAMBOAT SERVICE.

Number of routes		178
Length of routes	miles	31,169.24
Annual travel	do	4,387,028.12
Annual rate of expenditure		$550,454.51
Rate of cost per mile of length		$17.66
Rate of cost per mile traveled	cents	12.54
Average number of trips per week		1.35

Comparison with the previous year shows:

		Per cent.
Increase in number of routes		17 or 10.56
Increase in length of routes	miles	11,280.30 or 56.72
Increase in annual travel	do	407,296.54 or 10.23
Increase in annual rate of expenditure		$97,931.79 or 21.64
Increase in rate of cost per mile traveled	cents	1.17 or 10.29
Decrease in rate of cost per mile of length		$5.09 or 22.37
Decrease in average number of trips per week		.57 or 29.68

The appropriation for the last fiscal year was $450,000.

The sum expended, as reported by the Auditor on accounts stated to September 30, 1899, was $434,200.98, leaving an unexpended balance at that date of $15,799.02.

The annual rate of expenditure on July 1, 1899, under contracts made during the last fiscal year for the performance of steamboat service from July 1, 1899, to June 30, 1903, in the third contract section, was $12,573.17, a decrease in the annual rate of expenditure for similar service on June 30, 1899, of $3,476.70.

The number of steamboat routes in operation on July 1, 1899, was 179.

The appropriation for the current fiscal year is $500,000.

The annual rate of expenditure was:

July 1, 1899	$548,933.81
September 30, 1899	524,543.08

The amount estimated as necessary for the fiscal year ending June 30, 1901, is $545,000, being $45,000, or 9 per cent, more than the appropriation for the current fiscal year.

With the occupation of Cuba and Porto Rico by United States forces more frequent mail communication with those islands became necessary. The service on the then existing route between Port Tampa, Fla., and Havana, Cuba, was increased to three round trips a week the entire year, and a new route was established between Miami, Fla., and Havana, two round trips a week. The contract for the latter took effect January 8, 1899, at a cost of $25,168 per annum. The expense of this was borne by this Department until June 30, 1899, when it was assumed by the department of posts in Cuba.

A contract was made with the New York and Porto Rico Steamship

Company for service from New York to Porto Rico, three round trips a month from January 8, 1899, at a cost of $43,000 per annum. In addition to this Porto Rico is supplied twice a month by the steamers of the Red D Line en route from New York to Venezuela under "ocean mail service" contract. The Government transports running between New York and Porto Rico also carry the mails.

Some additional steamboat service was provided for Alaska last year as indicated in the preceding pages under the heading of "Alaska."

MAIL-MESSENGER SERVICE.

Number of routes		7,134
Length of routes	miles	5,056.94
Annual travel	do	9,930,891.36
Annual rate of expenditure		$901,566.97
Rate of cost per mile of length		$178.28
Rate of cost per mile traveled	cents	9.07
Average number of trips per week		18.88

Comparison with the previous year shows:

		Per cent.
Increase in number of routes		46 or .65
Increase in length of routes	miles	14.66 or .29
Increase in annual travel	do	241,340.30 or 2.49
Increase in average number of trips per week		.41 or 2.22
Decrease in annual rate of expenditure		$898.56 or .09
Decrease in rate of cost per mile of length		$0.69 or .38
Decrease in rate of cost per mile traveled	cents	.24 or 2.57

The appropriation for the last fiscal year was $950,000. The sum expended, as per auditor's report, was $907,668.25, leaving an unexpended balance of $42,331.75.

Out of this appropriation, $13,062.65 was paid for temporary mail-messenger service in the island of Porto Rico between October 1, 1898, and May 31, 1899. After the latter date the expense of such service was assumed by the department of posts of that island.

The annual rate of expenditure was:

July 1, 1899	$897,764.41
September 30, 1899	905,066.95

The appropriation for the current fiscal year is $950,000.

The amount estimated as necessary for the fiscal year ending June 30, 1901, is $950,000—being the same as for the current year.

PNEUMATIC-TUBE SERVICE.

No new contracts for pneumatic-tube service were made during the last fiscal year as such action was prohibited by law. The act making the appropriation of $225,000 for that year contained the provision—

> That no part of this appropriation shall be used in extending such pneumatic service beyond the service for which contracts already are entered into, and no additional contracts shall be made unless hereafter authorized by law.

The amount expended during the last fiscal year, as reported by the auditor under accounts stated to September 30, 1899, was $189,487.16, leaving an unexpended balance of $35,512.84, the whole service not having been in operation during the entire year.

The service now in effect is as follows:

In Boston, Mass., between the general post-office and the Northern Union Station, 0.74 of a mile, the Boston Pneumatic Transit Company, contractor, at an annual compensation of $9,000 for the tube service.

In New York, N. Y., between the general post office and Station P, in the Produce Exchange Building, 0.70 of a mile, also between the main post office and Station H (Forty fourth street and Lexington avenue), via Station D, Madison Square Station, and Station F, 3.50 miles, the Tubular Dispatch Company, contractor, at an annual compensation of $148,500. There is an additional charge of $10,000 a year for labor to operate these tubes.

In Brooklyn, N. Y., between the general post office and the main post office in New York (across the Brooklyn Bridge), 1.55 miles, the New York Mail and Newspaper Transportation Company, contractor, at an annual compensation of $14,000. There is a further charge of $6,200 a year for labor, etc., to operate this tube.

In Philadelphia, Pa., between the general post-office and Bourse Station (in the Bourse building), 0.52 of a mile, the Pneumatic Transit Company, contractor, at an annual compensation of $17,600; also between the main post office and the Pennsylvania Railroad station, at Broad street, via the Reading Terminal station, 0.94 of a mile, the Pneumatic Transit Company, contractor, at $16,956 for the tube service.

All of these contracts will expire by limitation June 30, 1901.

The annual rate of expenditure under these contracts is $222,266.

The appropriation for the current year is the same as for last year, $225,000.

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REPORT OF THE GENERAL SUPERINTENDENT OF RAILWAY MAIL SERVICE.

POST-OFFICE DEPARTMENT,
OFFICE OF GENERAL SUPERINTENDENT
RAILWAY MAIL SERVICE,
Washington, D. C., October 26, 1899.

SIR: I have the honor to submit herewith my annual report of the operations of the Railway Mail Service for the year ended June 30, 1899, consisting of statistical tables showing the extent of the service, number of clerks, miles run, mail distributed, examinations passed, errors made in distribution, casualties, comparisons with former years, etc., a statement of the cost of the service during the past fiscal year, the probable cost during the present fiscal year, and estimates of the amounts necessary to maintain the service during the year ending June 30, 1901, together with such remarks and recommendations as seem to me proper at this time.

NUMBER OF LINES AND CLERKS.

There were in operation on the 30th of June, 1899, 130 full railway post office lines, manned by 1,597 crews, aggregating 4,775 clerks (including 24 acting clerks); 1,051 apartment railway post office lines, manned by 2,655 crews, aggregating 2,887 clerks (including 21 acting clerks); 39 electric and cable car lines, with 103 crews and 76 clerks (including 7 acting clerks); 18 steamboat lines, with 74 crews and 76 clerks (including 22 acting clerks); making a total of 1,268 lines of all kinds, manned by 7,814 clerks, which only covers the working force of

the lines. In addition, there were 342 transfer clerks employed in handling the mails at important junction points, and 304 clerks detailed to clerical duty in the various offices of the service, making a grand total of 8,460 clerks appointed to the service, an increase during the year of 386 clerks, as shown by the following table:

Year.	Employed on railroad lines.	Employed on steamboat lines.	Employed on electric lines.	Detailed to transfer duty.	Detailed to office duty.	Total.
1898	7,281	64	112	327	290	[1]8,074
1899	7,662	76	76	342	304	[2]8,460
Increase	381	12	[3]36	15	14	386

[1] Including 76 acting clerks. [2] Including 74 acting clerks. [3] Decrease.

MILEAGE.

The miles of railroad covered by full railway post-office lines was 45,901.41; by apartment railway post-office lines, 111,625.17; by electric and cable car lines, 385.36; by steamboat lines, 19,835.06; making a total mileage of 177,747 covered by railway post-office service. The annual miles run by crews in full railway post-office lines was 80,369,803; by crews in apartment railway post-office lines, 108,920,132; by crews in electric and cable car lines, 1,829,160; by crews in steamboat lines, 2,410,047; making a total of 193,529,142 miles of railway post-office service. In addition to this there was closed-pouch service on 19,937.78 miles of railroad, with an annual mileage traveled of 23,258,831; the same character of service on 1,569.71 miles of electric and cable lines, the annual mileage of which was 2,974,813; and 11,334.18 miles of closed-pouch service on steamboat lines, with an annual mileage of 1,976,981; making a total annual mileage of 28,210,625 for closed-pouch service. In addition to the above there were 75,042,503 miles of service by express pouches on other than railway post-office trains on lines on which there was service by clerks. This makes a grand total of 296,782,270 miles of service for the year by railroad, electric and cable, and steamboat lines.

EQUIPMENT.

There were at the close of the fiscal year under consideration 729 whole cars in use and 192 in reserve, 2,046 apartments in cars in use and 539 in reserve, making a total of 3,506 cars and apartments on railroad lines; in addition to this there were 63 cars on electric and cable lines and 71 apartments on steamboat lines, making a total of 3,640 whole cars and apartments.

MAIL DISTRIBUTED.

There were 7,118,422,840 pieces of first class matter handled by railway postal clerks during the year closed, and 6,233,569,885 pieces of second, third, and fourth class matter, making a total of 13,351,992,725 pieces exclusive of registered matter. Of registered matter there were handled 15,866,847 packages and cases, 1,063,049 through-registered pouches and 607,162 inner-registered sacks, making in all 17,537,058.

The following table will show the number of clerks assigned to lines,

the amount of mail handled, the number of errors in distribution, with the per cent of increase or decrease, for a period of ten years:

Year ended June 30—	Number of clerks.[1]	Per cent of increase.	Pieces of mail matter distributed.	Per cent of increase.	Errors in distribution.	Per cent.		Pieces correct to each error.	Per cent.	
						Increase.	Decrease.		Increase.	Decrease.
1888....	5,094	.....	6,528,772,060	.....	1,765,821	.....	.....	3,694	.....	.....
1889....	5,448	6.95	7,026,837,130	7.63	1,777,295	0.66	.....	3,954	7.04	.....
1890....	5,836	7.12	7,847,723,600	10.26	2,769,245	55.81	.....	2,834	.....	28.33
1891....	6,032	3.36	8,546,370,090	8.90	2,005,973	.....	27.56	4,261	50.35	.....
1892....	6,417	6.38	9,227,816,090	7.97	1,658,457	.....	17.32	5,564	30.58	.....
1893....	6,645	3.55	9,772,075,810	5.90	1,367,880	.....	17.52	7,144	28.40	.....
1894....	6,852	3.10	10,033,973,790	2.62	1,281,094	.....	6.34	7,831	9.62	.....
1895....	7,045	2.82	10,377,875,040	3.43	1,166,682	.....	9	8,894	13.57	.....
1896....	7,408	5.15	11,166,323,240	7.60	1,134,411	.....	2.76	9,843	10.67	.....
1897....	7,573	2.23	11,571,540,680	3.63	967,598	.....	14.71	11,960	21.51	.....
1898....	7,999	5.62	12,225,706,220	5.65	1,172,433	21.17	.....	10,428	.....	12.81
1899....	8,388	4.86	[2]13,351,992,725	[3]4.96	1,312,388	11.94	.....	10,174	.....	2.43

[1] Acting clerks not included in this table.
[2] Including 519,870,465 pieces of city mail.
[3] Per cent of increase figured on amount of mail distributed, exclusive of that separated for city delivery.

ERRORS IN DISTRIBUTION.

The above table also shows that there were 1,312,388 errors in distribution charged against railway postal clerks during the year as against 1,172,433 for last year, an increase of 11.94 per cent. There were 816,784 errors in distribution checked against post-offices, a decrease as compared with last year of 13,818, or about 1.66 per cent.

The following table will show the missent and misdirected matter for the years ended June 30, 1898 and 1899:

Matter.	Year ended June 30—		Decrease.	Increase.
	1898.	1899.		
Missent:				
Letter packages	20,326	22,039	.....	1,713
Pouches	2,306	2,722	.....	416
Sacks	3,415	3,656	.....	241
Registered packages	636	815	.....	179
Registered pouches and inner registered sacks	62	69	.....	7
Misdirected:				
Letter packages	2,464	2,678	.....	214
Pouches	654	630	24	.....
Sacks	1,414	1,537	.....	123

Table G[3] shows the errors in distribution in post-offices of the first and second classes, and the recapitulation shows the errors made by all the post offices.

NIXIES.

The number of pieces of mail matter so illegibly addressed as to require special attention before delivery could be effected, or which could not be delivered at all, was 14,606,085. This is an increase over last year of 1,102,599. Of the 14,606,085 pieces handled, 7,724,946 were returned to writers or corrected and forwarded to destinations, the balance being sent to the Dead Letter Office or otherwise disposed of in accordance with the regulations.

CASE EXAMINATION.

There were 18,983 examinations of permanent railway postal clerks. The number of cards handled was 20,823,137, of which 98.73 per cent

were handled correctly. Last year's report shows 20,738 examinations, 22,328,414 cards handled, 97.95 per cent correctly. The probationary clerks passed 1,211 examinations, handling 1,209,278 cards, 98.21 per cent correctly. Last year this class of clerks passed 1,161 examinations, handling 1,023,831 cards, 98.19 per cent correctly.

The following is a statement of the examinations of permanent and probationary clerks combined for a period of ten years:

Year ended June 30—	Examinations.	Cards handled.	Correctly handled.	Per cent correct.	Average number of cards per examination.
1890	16,084	17,998,156	16,059,814	90.24	1,107
1891	14,119	15,830,849	14,625,727	92.29	1,121
1892	16,670	18,127,114	17,126,604	94.48	1,088
1893	15,676	17,796,280	16,958,511	95.29	1,135
1894	19,512	22,193,083	21,483,375	96.80	1,137
1895	19,522	22,589,860	22,065,337	97.68	1,157
1896	19,531	22,159,757	21,722,913	98.03	1,135
1897	21,078	23,241,438	22,868,753	98.40	1,103
1898	21,899	23,352,245	22,976,326	98.30	1,066
1899	20,194	22,032,415	21,747,729	98.71	1,091

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REPORT OF THE THIRD ASSISTANT POSTMASTER-GENERAL.

POST-OFFICE DEPARTMENT,
OFFICE OF THIRD ASSISTANT POSTMASTER-GENERAL,
Washington, D. C.,

SIR: I have the honor to submit the following report of the postal business coming within the jurisdiction of this Bureau for the fiscal year ending June 30, 1899:

Special attention is invited to the text under the captions "Division of Registration" and "Classification of Mail Matter." Under the first mentioned will be found a comprehensive note on extensions of the registry system which have been provided for since the close of the year covered by this report, while under the latter will be found important recommendations decided upon since the close of the year.

FINANCIAL STATEMENT.

The postal revenue for the year and the total actual expenditures are as follows:

Ordinary postal revenue, consisting of—	
Sales of postage stamps, stamped envelopes, newspaper wrappers, and postal cards	$87,280,654.01
Second-class postage (pound rate) paid in money	3,527,032.26
Receipts from box rents	2,726,558.04
Letter postage paid in money (made up principally of balances due from foreign postal administrations)	98,031.38
Miscellaneous receipts	58,297.72
Fines and penalties	31,041.42
Receipts from unclaimed dead letters	13,104.74
Total ordinary postal revenue	93,734,719.57

Receipts from money-order business		$1,286,664.60
Total receipts from all sources		95,021,384.17
Expenditures:		
Actual amount of expenditures for the service of the year ending June 30, 1899 (which includes all the expenditures made on account of the year up to three months after its close)	$101,435,269.99	
Expenditure during the year on account of previous years	196,890.93	
		101,632,160.92
Excess of expenditures over receipts		6,610,776.75

The outstanding liabilities at the close of the year, and the cost of transporting the mails over the subsidized Pacific railroads that have not yet settled their bonded accounts with the Government (the latter item amounting to $614,329.49), are not included in the foregoing statement.

The following comparisons with the totals of the preceding year are presented:

Total receipts for 1898	$89,012,618.55
Total receipts for 1899	95,021,384.17
Increase for 1899	6,008,765.62
Per cent of increase	6.7
Total expenditures, 1898	98,033,523.61
Total expenditures, 1899	101,632,160.92
Increase for 1899	3,598,637.31
Per cent of increase	3.6
Total deficiency for 1898	9,020,905.06
Total deficiency for 1899	6,610,776.75
Decrease of deficiency for 1899	2,410,128.31
Per cent of decrease	26.7

Detailed statements of postal receipts and expenditures, by items, will be found in Tables Nos. 2, 3, and 4, in this report.

LOSSES BY BURGLARY, FIRE, BAD DEBTS, AND COMPROMISES.

During the year, in cases of loss by burglary and fire, where compromises with debtors were found to be necessary, and in others where outstanding debts proved to be uncollectible, the Department suffered losses amounting altogether to $19,358.85.

AMOUNTS DRAWN FROM THE TREASURY.

The following amounts were drawn from the General Treasury within the last fiscal year on account of special and deficiency appropriations, viz:

For deficiency in the postal revenue—	
For 1895 and prior years	$41,258.81
For 1896 and prior years	2,040.58
For 1897	300,000.00
For 1898	3,900,000.00
For 1899	4,000,000.00
Total	8,243,299.39

TRANSACTIONS AT TREASURY DEPOSITORIES.

The account during the year shows the following receipts and disbursements at Treasury depositories, viz:

Amount of outstanding warrants June 30, 1898		$109,642.04
Balance subject to draft June 30, 1898		5,166,949.36
Counter-entry receipts fiscal year 1898		252.31
		5,166,697.05
Deposits:		
On account of postal revenue	$39,380,400.95	
On account of grants from the General Treasury	8,243,299.39	
		47,623,700.34
Total		52,790,397.39
Amount of warrants paid during the year ending June 30, 1899		46,545,812.10
Balance at depositories June 30, 1899		6,244,585.29
Amount of outstanding warrants June 30, 1899		223,392.73
Balance subject to draft June 30, 1899		6,021,192.56

Of the $47,623,700.34 deposited on account of postal revenue, $30,376.39 came through national-bank depositories. The balance remaining in national-bank depositories at the close of the year was $12,531.22.

APPROPRIATIONS, EXPENDITURES, AND ESTIMATES FOR THE POSTAL SERVICE COMING UNDER THE THIRD ASSISTANT POSTMASTER-GENERAL.

The specific appropriations for the postal service coming under the control of this office during the year (see Table No. 2) amounted to $1,265,300, and the expenditures out of these appropriations to $978,630.71, leaving an unexpended balance of $286,669.29. These figures do not comprehend expenditures for special-delivery business, which amounted to $415,994.02, because no specific appropriation is made therefor, the law simply authorizing these expenditures, whatever they may amount to, to be paid out of the receipts of the special delivery system.

There is a reduction of the expenditures for the year (shown in Table No. 4) of $248,705.35, or 20.26 per cent, as compared with the year ending June 30, 1898, which deserves special mention. Two hundred and forty-eight thousand one hundred and twenty-eight dollars and sixty-nine cents of this reduction represents the saving by the contracts for stamped envelopes and newspaper wrappers, for registered package, tag, official and dead-letter envelopes, and for postal cards.

There are unexpended balances in every item of the appropriations save that for the manufacture of postage stamps. For this item the entire amount appropriated was used, and additional stamps manufactured at a cost of $2,273.37, which amount will be certified to Congress in the usual way for a deficiency appropriation.

The increase of expenditures for special-delivery business was $45,610.46, or 12.3 per cent.

The estimates of appropriations for the service coming under control of this office during the coming fiscal year, ending June 30, 1901,

amount to $1,125,100, which is $58,200 less than the appropriations for the current year. Details of these estimates will be found in Table No. 1 in this report.

FINANCE DIVISION.

The operations of this division during the year will appear from the following statement:

The number of accounts of contractors and other creditors of the Government on account of mail service received and examined was 145,945, requiring the recording, drawing, and mailing of the same number of warrants. The total amount covered by these warrants was $46,659,562.79; the number of drafts drawn on account of balances due present and late postmasters was 3,930, amounting to $1,467,251.94, making a total amount covered by warrants and drafts of $48,126,814.73. The number of new contracts for mail service received, examined, and entered in books kept in this division was 7,554, and the number of orders of the Postmaster-General affecting the mail service entered in ledgers was 35,603.

Transcripts were received weekly from the United States Treasury and 9 subtreasuries, and monthly from 54 designated national-bank depositories, comprehending financial transactions aggregating $56,423,279.64.

Accounts were also kept with the Treasurer and assistant treasurers and with all these designated depositories.

About 22,000 circulars were sent to postmasters, containing instructions relative to the deposit of their postal balances.

The number of letters written on subjects pertaining to the different branches of work assigned to the division was 3,037, and the number of cases for investigation of the accounts of present and late postmasters made up and placed in the hands of the Fourth Assistant Postmaster-General (division of mail depredations and post-office inspectors) was 248.

FUNDS RECEIVED AT THE DEPARTMENT AND TURNED OVER TO THE FINANCE DIVISION DURING THE YEAR.

The money received from postmasters erroneously remitting to this office balances due the Government; from collections made by the chief post-office inspector on account of defaulting postmasters and the recovery of postal remittances lost in transit; from stamp collectors and others for the purchase of stamps, stamped envelopes, etc., and from bills of exchange covering balances due by foreign postal administrations amounted to $99,493.34, the disposition of which was as follows:

Amount received	$99,493.34
Amount deposited with the Treasurer of the United States at Washington, D. C.	30,855.53
Amount deposited with the assistant treasurer of the United States at New York, N. Y.	67,146.70
Amount returned to remitters	315.25
Amount used in the purchase of stamps, stamped envelopes, and postal cards, which were sent to the persons ordering them	1,175.86
Total	99,493.34

DEAD-LETTER FUND.

The money taken from dead letters for which no owners could be found, and that realized from the auction sale of unclaimed articles accumulated in the Dead-Letter Office, aggregated $13,115.83.

This money was disposed of as follows:

Amount received	$13,115.83
Amount in current funds deposited in the Treasury at Washington, D. C.	12,886.41
Amount realized from the sale of foreign and uncurrent funds by the postmaster at New York and deposited with the assistant treasurer at New York	218.34
Total amount deposited	13,104.75
Amount of loss sustained in the sale of uncurrent funds, from counterfeits, and from mutilated minor coin	11.08
Total	13,115.83

SPECIAL-DELIVERY SYSTEM.

The following statistics show the business transacted under the special-delivery system during the year:

Number of pieces of mail matter received for special delivery at all the letter-carrier offices, 4,551,672, of which 3,628,393, or 79.7 per cent, were transmitted through the mails from one post-office to another, and 923,279, or 20.3 per cent, were local or drop letters.

There were 2,006 messengers employed at these offices during the year. The average time required in making delivery was sixteen minutes.

From the report of the Auditor for the Post-Office Department it appears that the total number of pieces of special-delivery matter on which fees were paid was 5,199,925, which, being about 95 per cent of the entire number received for delivery, leaves 273,680 as the number delivered by salaried employees, to whom no fees were paid, together with the number that it was found impossible to specially deliver, making the aggregate number of pieces of special-delivery matter transmitted in the whole country 5,473,605. This shows an increase of 12.3 per cent over the previous year's business.

The value of the special-delivery stamps used on this matter amounted to $547,360.50, and the amount paid for making deliveries was $415,994.02, leaving a profit to the Government on the year's business, after deducting $623.99 as the cost of manufacturing the stamps, of $130,742.49.

The increase of special-delivery business since the advent of the system in 1886 is as follows:

Increase in—	Per cent.	Increase in—	Per cent.
1887	24	1894	1.8
1888	17.7	1895	7.6
1889	11.9	1896	13.1
1890	10.2	1897	4.7
1891	23.2	1898	11
1892	21.4	1899	12.3
1893	21.9		

Special-delivery statistics for all the free-delivery post-offices for the year will be found in Table No. 16 in this report.

THE STAMP DIVISION.

During the year the total number of pieces of stamped paper issued to postmasters through the agency of this division was 4,917,269,025, in value $90,151,659.71, a net increase over the issue of the previous year of 302,742,935, or 6.56 per cent in number, and $2,839,349.34, or 3.25 per cent in value. In detail these issues and their comparative volume and value with those of the previous year are found in tables numbered 6, 7, and 8 of this report.

VALUE OF STAMPED ENVELOPES OVER THEIR COST.

The gross selling value of stamped envelopes and newspaper wrappers issued was $12,598,692.21, and their postage value was $11,681,092.50, leaving $917,599.71 as the cost of their manufacture and distribution. The contract cost was $536,155.79, after having deducted $8.91 for envelopes misprinted or otherwise imperfect, leaving $381,353.92 to defray the expense of distribution, in contrast with $369,349.93 for the previous year.

OTHER ISSUES THROUGH THE STAMP DIVISION.

There were issued during the year 87,619,200 unstamped envelopes for official use. Of these, 1,044,100 were registered package envelopes No. 8, large size; 11,837,400 were No. 7, small size; 971,200 were No. 9 tag envelopes for registered parcels; and the remaining 73,763,500 were envelopes of the "penalty" class, used for carrying communications for the Department, postmasters, and other employees.

The lower percentage of increase in the volume and value of stamped paper issued, as compared with previous years, is traceable, in a degree, to the discontinuance of the use of newspaper and periodical stamps on June 30, 1898. During the year then closed there had been 5,207,120 of those stamps issued, and their value was $3,119,864. Within the same period the collection of postage on the matter for which they were used amounted to $3,361,263.38, and this sum has increased 4.73 per cent in the fiscal year just closed, against 100 per cent decrease in newspaper and periodical stamps issued in the same period.

A new source of income has, however, arisen in this connection. My predecessor directed the distribution to the 176 first class post-offices of 50,000 sets of the obsolete newspaper and periodical stamps of the 1895 series, to be sold as souvenirs at $5 per set, and the Department realized $117,175 on this account during the last five months of the fiscal year.

STAMPED LETTER SHEETS.

The manufacture and issue of the letter sheets, as stated in earlier reports, ceased some years ago, and the remaining stock is concentrated at Chicago, Cincinnati, Denver, New Orleans, St. Louis, and San Francisco, where 20,442 were sold, 6,722 less than the previous year.

REQUISITIONS FILLED.

The number of requisitions filled during the year is a follows:

Articles.	1898.	1899.	Increase.	Decrease.	Per cent.
Stamps:					
Ordinary	221,874	214,975		6,899	3.10
Ordinary, trans-Mississippi series	2,852	10,446	7,594		266.37
Postage-due	23,363	14,412		8,951	38.31
Newspaper and periodical	14,827	176		14,651	98.81
Envelopes:					
Ordinary stamped	89,946	87,059		2,887	3.20
Special-request	215,278	223,438	8,160		3.79
Registered-package	51,099	55,830	4,731		9.25
Registered-tag	10,029	10,455	426		4.24
Penalty	56,907	55,900		1,007	1.76
Postal cards	86,019	87,106	1,087		1.26
Newspaper and periodical receipt books	3,809			3,809	100.00
Total	776,003	759,797	21,998	34,305	2.08

The decrease in requisitions for ordinary and postage-due stamps and ordinary stamped envelopes results from instructions to postmasters to order in larger quantities, and consequently less frequently.

PARCELS SENT.

The number of parcels in which the foregoing supplies were packed and mailed is as follows:

Articles.	1898.	1899.	Increase.	Decrease.	Per cent.
Stamps:					
Ordinary	230,889	224,196		6,693	2.89
Ordinary, trans-Mississippi series	3,000	11,561	8,561		285.36
Postage-due	23,384	14,427		8,957	38.30
Newspaper and periodical	14,827	176		14,651	98.81
Envelopes:					
Ordinary stamped	126,247	113,065		13,182	10.44
Special-request	168,588	175,430	6,842		4.05
Registered-package	53,338	56,880	3,542		6.64
Registry-tag	9,982	10,989	1,007		10.08
Penalty	91,656	86,797		4,859	5.30
Postal cards	118,203	114,547		3,656	3.09
Newspaper and periodical receipt books	3,809			3,809	100.00
Total	843,923	808,068	19,952	55,807	4.24

Postal cards, in addition to those mentioned above, were sent from the main agency at Piedmont, W. Va., to postmasters by freight, to the extent of 573,925,750 cards, weighing 4,206,417 pounds—143 carloads. About one-third of all postal cards issued to postmasters were so delivered direct from the main agency.

ISSUE OF POSTAL CARDS.

The number of postal cards issued to postmasters from the agency at the place of manufacture, and from the several subagencies, is as follows:

Kind	Main agency at Washington	Troy subagency	Cincinnati subagency	St. Louis subagency	Washington subagency	Total.
A	.....	106,500	213,500	298,000	110,000	728,000
C	.....	.....	.....	.....	5,000	5,000
D	300,750	1,783,750	1,158,750	1,824,000	814,500	5,941,750
E	70,000	217,550	19,350	157,600	76,900	541,400
F	.....	1,250	250	1,250	6,250	9,000
G	.....	.....	210,000	260,000	.....	470,000
H	195,700,000	68,371,000	100,613,000	118,867,000	81,870,000	565,421,000
K	95,000	106,500	99,500	68,500	148,500	518,000
Total	196,225,750	70,586,550	102,314,350	121,476,350	83,031,150	573,634,150

NEW TERRITORY—SUPPLIES.

The acquisitions beyond sea have entailed, as to Spanish territory, the use of stamped paper of the United States which has been supplied to Cuba, Porto Rico, the Philippines, and Guam, with the names of each of those appanages overprinted, the cost to be paid from their revenues.

The number and denominations of stamps thus supplied this fiscal year are as follows:

Denomination.	Cuba, ordinary.	Porto Rico.		Philippines, ordinary.	Guam, ordinary.
		Ordinary.	Postage due.		
	Number.	*Number.*	*Number.*	*Number.*	*Number.*
1-cent	4,000,000	1,000,000	25,000	1,000,000	10,000
2-cent	4,000,000	2,000,000	25,000	2,000,000	30,000
2.5-cent	2,000,000	.....	.....	.....	.....
3-cent	4,000,000	.....	.....	500,000	.....
5-cent	4,000,000	500,000	.....	500,000	5,000
8-cent	.....	25,000	.....	.....	.....
10-cent	400,000	500,000	5,000	500,000	.....
10-cent special delivery	20,000	.....	.....	.....	.....
15-cent	.....	.....	.....	150,000	.....
50-cent	.....	.....	.....	50,000	.....
Total	18,420,000	4,025,000	55,000	4,700,000	45,000

Cuba, Porto Rico, and the Philippines have, since the fiscal year expired, been supplied with postage-due stamps, over-printed. No new design for that stamp has been made. Guam has received no postage-due stamps.

Before the expiration of the fiscal year original designs had been accepted for Cuban stamps in the 1, 2, 3, 5, 10, and 10-cent special-delivery stamps. These stamps have since been supplied and are now in use there.

DESCRIPTION.

The colors are those of the United States stamps of the same denominations, except the special-delivery stamp, which is in orange. The first five are $\frac{3}{4}$ by $\frac{13}{16}$ inch and the special delivery is $\frac{25}{32}$ by $1\frac{7}{16}$ inch in dimensions. The illustrations are, for the—

1-cent (1 centavo), full-length erect figure of Columbus.
2-cent (2 centavos), group of palms.
3-cent (3 centavos), sitting figure of "La Cubana."

5-cent (5 centavos), steamship approaching.
10-cent (10 centavos), plantation; plowing in foreground.
10-cent special delivery, boy on bicycle.

The denominations are indicated in Arabic numerals at each lower corner in centavos, except on the 5-cent, on which it appears only in the left lower corner, and the special-delivery, upon which it is shown on each side of the central figure. The word "Cuba" appears at the top of each, and, except on the special-delivery stamp, it is curved upward in the middle; on the latter it appears in a straight line. The letters and numerals are in white, except the word "Cuba" on the 5-cent, which takes the blue color of the stamp on a white ground. The word "Cuba" is in capitals, except on the special-delivery, in which the initial letter only is capitalized. Encircling the medallion, and repeated on the right and left on the special-delivery stamp, are the words "Diez Centavos," and beneath, in two straight lines, is the inscription:

.....Asegura entrega inmediata al.....
llegar á la administración de destino.

(On the first issue of these stamps the word "inmediata" is spelled "immediata.")

Within the fiscal year, and since the postal service of Cuba has been withdrawn from the supervision of the New York postmaster, who, for a few months after the first occupation by United States troops exercised control and supplied stamped paper, there have been sent to the director-general 10,000 each of ordinary stamped envelopes No. 5, second-quality, 1-cent; No. 5, second-quality, 2-cent, and No. 13, second-quality, 1-cent, overprinted; and later, but not within the fiscal year, 600,000 ordinary stamped envelopes of the 1, 2, and 5 cent denominations in the new designs of stamps. There were also furnished in February, 1899, 581,750 E and 1,003,000 H postal cards, overprinted "Cuba," for which the director-general paid the contractor for this Department.

Porto Rico was furnished with 100,000 No. 5, first-quality, 2-cent and 10,000 No. 5, first-quality, 5-cent ordinary stamped envelopes, and 5,000 No. 12 1-cent newspaper wrappers within the fiscal year, and since that time 10,000 more 1-cent wrappers. Five hundred No. 5, first-quality, 2-cent special-request envelopes were also sent during the year, and 500 more since its expiration.

No postal cards were supplied Porto Rico during the fiscal year, but 10,000 H cards, overprinted "Porto Rico," were sent the director-general on September 21 last.

No stamped envelopes were sent to the Philippines until August last, when 50,000 No. 5 first quality 2-cent and 50,000 No. 12 1-cent ordinary stamped envelopes were supplied.

Official envelopes for their needs have been supplied Cuba, Porto Rico, and the Philippines. The two former have paid, or will pay, out of their revenues for those furnished.

Capt. Richard P. Leary, of the Navy, in charge of postal affairs in Guam, has required only the ordinary stamps.

1894 SERIES ORDINARY POSTAGE STAMPS—COLORS.

Since the last report the colors selected for the 4, 6, 10, and 15 cent stamps have gone into use, and the entire series is complete as then proposed. The colors printed in italics were retired on the date given as to each denomination in the line next below in roman:

Ordinary postage stamps.

Denomination.	Face.	Color.	Date of issue.	On water-marked paper after—
1-cent	*Franklin*	*Blue*	*Oct. 10, 1894*	*Apr. 29, 1895*
1-cent	Franklin	Green	Jan. 17, 1898	Jan. 17, 1898
2-cent	Washington	Carmine	Oct. 5, 1894	May 2, 1895
3-cent	Jackson	Purple	Sept. 24, 1894	Oct. 31, 1895
4-cent	*Lincoln*	*Velvet brown*	*Sept. 11, 1894*	*June 5, 1895*
4-cent	Lincoln	Red-brown	Oct. 7, 1898	Oct. 7, 1898
5-cent	*Grant*	*Light brown*	*Sept. 28, 1894*	*June 11, 1895*
5-cent	Grant	Blue	Mar. 8, 1898	Mar. 8, 1898
6-cent	*Garfield*	*Light maroon*	*July 18, 1894*	*Aug. 31, 1895*
6-cent	Garfield	Magenta	Dec. 31, 1898	Dec. 31, 1898
8-cent	Sherman	Lilac	Mar. 25, 1895	July 22, 1895
10-cent	*Webster*	*Milori-green*	*Sept. 17, 1894*	*June 7, 1895*
10-cent	Webster	Light brown	Nov. 11, 1898	Nov. 11, 1898
10-cent	Special-delivery messenger boy.	Blue	Oct. 10, 1894	Aug. 16, 1895
15-cent	*Clay*	*Deep blue*	*Oct. 15, 1894*	*Sept. 10, 1895*
15-cent	Clay	Olive green	Nov. 30, 1898	Nov. 30, 1898
50-cent	Jefferson	Orange	Nov. 1, 1894	Nov. 9, 1895
$1.00	Perry	Black	Nov. 15, 1894	Aug. 12, 1895
$2.00	Madison	Sapphire blue	Dec. 10, 1894	Aug. 13, 1895
$5.00	Marshall	Gray-green	....do	Aug. 16, 1895

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REPORT OF THE FOURTH ASSISTANT POSTMASTER-GENERAL.

POST-OFFICE DEPARTMENT,
OFFICE FOURTH ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., November 1, 1899.

SIR: I have the honor to invite your attention to the following statement of the operations of this Bureau for the fiscal year ended June 30, 1899:

The Bureau consists of three divisions. The division of appointments, the division of bonds and commissions, and the division of post office inspectors and mail depredations.

To the division of appointments are referred all papers relating to the appointment of postmasters, to be briefed, jacketed, and filed for the consideration of the Fourth Assistant Postmaster-General, the Postmaster-General, and the President.

The division of bonds and commissions is intrusted with the custody of all bonds of postmasters, and keeps the records pertaining thereto. It also prepares all commissions of postmasters for the signature of the Postmaster-General and the President, and keeps all records relating to said commissions.

The division of post office inspectors and mail depredations consists of post office inspectors, under the charge of the chief post office inspector, and the division of mail depredations, under charge of a chief clerk, where the records of all depredations upon the mails are kept.

THE DIVISION OF APPOINTMENTS.

A comprehensive view of the work of this division may be had by considering it under the following subdivisions:

Appointments of postmasters;
Establishment and discontinuance of post-offices;
Deaths and resignations of postmasters;
Changes in post-office names and sites;
Complaints and charges against postmasters.

APPOINTMENT OF POSTMASTERS.

The work of the division of appointments for the fiscal year has been much lighter than the preceding year. The policy of former administrations, of removing fourth-class postmasters for political reasons, regardless of length of service, resulted in the change of postmasters in all of the important fourth-class offices early in those administrations. The four years' term of the great majority of fourth-class postmasters, therefore, expired early in this administration, which accounts for the greatly decreased number of appointments made during the fiscal year as compared with the preceding one. This division, therefore, during the last fiscal year, has been able to give special attention to disciplinary measures and the general improvement of the service.

For convenience, the division is divided into sections of two or more States, with a clerk in charge of each section. These section clerks are under the supervision of the chief of the division. Books of record are kept, showing, by States, the names of post-offices, alphabetically arranged, and the names of postmasters and the dates of their appointment and dates upon which they are commissioned. These records also show the names of all the postmasters who have served at a given place for several years past.

A journal is kept by the chief of the division containing the daily record of all changes in postmasters, changes in the names of post-offices, showing the county and State in which the post-office is located, the name of the retiring postmaster and the name of the appointee, and the reason for the change; also a record of the establishment and discontinuance of post-offices. A condensed weekly report is made from this daily journal.

In the preparation of papers in the appointment division, post-offices are divided into two general classes—Presidential and fourth-class.

A Presidential office is an office where the salary of the postmaster amounts to not less than $250 per quarter for four consecutive quarters, and the gross receipts for the same time amount to $1,900. When an office has paid the above amount for four consecutive quarters, and the gross receipts have amounted to $1,900 or more, it is then advanced to the Presidential class.

Presidential offices are divided into three classes—first, second, and third. A first class office is one in which the gross receipts are over $40,000 per annum, the salary of the postmaster of the same being from $3,000 to $6,000. A second-class office is one where the gross receipts amount to $8,000 and not exceeding $40,000 per annum, the salary of the postmasters of this class being from $2,000 to $2,900 per annum. A third-class office is one where the gross receipts are $1,900 and not exceeding $8,000 per annum, the salary of the postmaster being from $1,000 to $1,900 per annum.

Fourth-class offices comprise all offices where the receipts are less

than $1,900 per annum, or where the salary of the postmaster does not amount to $250 per quarter for four consecutive quarters. Fourth-class offices are divided into three kinds—money-order, limited money-order, and nonmoney-order. A money order office is one where money-orders are sold in all sums not to exceed $100. A limited money-order office is one where money orders are sold in sums not to exceed $5. Nonmoney-order offices are offices that are not authorized to do a money-order business.

Presidential postmasters are appointed by the President and confirmed by the Senate. Papers in all Presidential cases are prepared in the appointment division and submitted to the Fourth Assistant Postmaster-General, and by him to the Postmaster-General, who in turn submits them to the President with whatever recommendation he may have to make. When the Senate is in session the President sends the names of Presidential postmasters to the Senate for consideration. When these nominations by the President are confirmed by the Senate, notice of appointment is then mailed from the bond division to the appointee. After the bond of the newly appointed postmaster is filed and approved a commission is then issued. The commission dates from the date of confirmation, and is for a term of four years. When the Senate is not in session, a vacation appointment may be made. In vacation appointments cases are prepared for the consideration of the Postmaster-General and President in the same way as above stated. The President signs the appointment of the postmaster, notice and blank bond are immediately forwarded him, and upon the approval of the bond he is commissioned, which commission holds until the adjournment of the first session of the Senate following his appointment, or until his successor is nominated and confirmed by the Senate, unless said commission is sooner revoked by the President.

When the Senate meets, the President nominates postmasters for all vacancies that have occurred during the recess of the Senate. He may nominate the postmaster appointed in vacation, or some other candidate, if he prefers. Upon the confirmation of any postmaster by the Senate the commission of the postmaster appointed for the vacation terminates, and upon the filing of a new bond the postmaster is commissioned for a term of four years from the date of his confirmation.

Fourth-class postmasters are appointed by the Postmaster-General. This class of cases is prepared in the appointment division and submitted by the chief of the division to the Fourth Assistant Postmaster-General, who initials the jackets authorizing the appointment of postmasters. Notice of appointment and blank bond are sent out by the bond division to the appointee, and upon the approval of his bond a commission is issued, signed by the Postmaster-General, dating from the date upon which the commission is issued.

ESTABLISHMENT OF POST-OFFICES.

It has been the policy of this Bureau, since the beginning of the present Administration, to establish a post office wherever it is desired and it is shown that it will accommodate a reasonable number of people, the purpose being to give the people the most convenient mail facilities possible. It is believed that such a policy contributes to popular intelligence and good citizenship. When a substantial request is made for a new post-office, blanks covering the necessary inquiries are forwarded. When returned, favorable or adverse action is taken, as the good of the service may direct. The petitioners are always advised of the decision of the Department and reasons therefor.

DISCONTINUANCE OF POST-OFFICES.

In cases where an office ceases to be a public necessity, or it is impossible to secure a suitable postmaster, the office is discontinued; but before discontinuing the same a public notice is posted upon the door of the post-office for fifteen days, stating that upon a certain day the office will be discontinued. If in the meantime, however, the people petition for its continuance, and present a suitable candidate for postmaster, the office is continued and the party whose name they present for postmaster is appointed.

PRIVATE POST-OFFICES.

A number of post offices which might be styled private post offices have been discontinued during the year. Information has come to the Department that there were a number of post offices being conducted throughout the country for the sole benefit of some corporation, nursery company, patent-medicine firm, or other private business institution, the result being that the Government was not only deprived of its legitimate revenues, but said institutions were also receiving undue advantages over competing firms in postal facilities. The company or corporation would usually have some one connected with the institution appointed postmaster, and the firm would get the advantage of the cancellations or the salary and allowances of the postmaster. To permit such post-offices to exist not only greatly reduces the revenues of the Department, but may be fruitful of fraud, and is, in the judgment of this Bureau, very much against public policy. In some instances these corporations or business institutions derived thousands of dollars of revenue from the Government, which virtually amounted to a commission or discount on their postal business.

RURAL FREE DELIVERY.

The extension of the rural free delivery service throughout the country has resulted in the discontinuance of 80 post offices, the salaries of the postmasters at said offices aggregating $4,719. Upon the urgent request of the patrons, a number of these offices have been reestablished, and many more requests for reestablishment were on file in the Department at the close of the fiscal year that had not been acted upon.

DEATHS AND RESIGNATIONS OF POSTMASTERS.

Upon receiving notice of the death of a postmaster, a record of the same is made and the division of bonds and commissions is notified, which division then notifies the sureties that they are required to take possession of the office and appoint an acting postmaster, to serve until a successor to the deceased postmaster may be appointed. When the resignation of a postmaster is received, it is filed and steps are at once taken to secure a successor.

CHANGES IN NAMES AND SITES.

In the naming of post-offices it is the policy of the Bureau to give plain, simple names, of a single word. This rule, however, is too frequently interfered with by local conditions. A sentiment emanating

from some historical incident or some special business interests of the locality may create in the minds of the people a desire for some special name that does not conform to the rule, and in deference to this sentiment or interest the Bureau often finds it necessary to make exceptions to the rule.

In the changing of the sites of fourth-class post offices the greatest convenience to the largest number of patrons is considered. In many cases bitter controversies arise over the location of a post-office, and it is found necessary to detail an inspector to make an investigation of the matter in person.

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REPORT OF THE AUDITOR FOR THE POST-OFFICE DEPARTMENT.

TREASURY DEPARTMENT,
OFFICE OF THE AUDITOR
FOR THE POST-OFFICE DEPARTMENT,
Washington, D. C., October 2, 1899.

SIR: I have the honor to present the following report of the operations of this office and the financial transactions of the Post-Office Department during the fiscal year ended June 30, 1899:

THE WORK OF THE BUREAU.

This office is literally the counting-house and clearing-house of the entire postal service, which is probably the largest business institution in the world. Our five hundred employees are engaged in the great variety of important work connected with keeping all accounts and auditing all claims against this variously ramified service. The majority of these employees are concerned entirely with the money-order system.

The duty of the Auditor may, in general terms, be briefly outlined as follows: To receive and examine the accounts of salaries, incidental expenses, and other disbursements of all bureaus and offices under the direction of the Postmaster-General; to receive, assort, and verify, by the statements of both issuing and paying postmasters, all money orders issued in the United States; to receive and examine all postal and money order accounts of postmasters, all accounts relating to the transportation of mails, and to all other business in the jurisdiction of the Post Office Department; to superintend the collection of debts due to the Post Office Department and certify balances due to the Postmaster-General and countersign all warrants and drafts issued by the Department.

ORIGIN OF THE PRESENT ACCOUNTING SYSTEM.

Recent publications have summarized the conditions prevailing in the Post Office Department which led to the establishment of this bureau in 1836. Prior to that year the Postmaster-General had unlimited jurisdiction over all financial as well as administrative functions of his Department. The revenues had, as a rule, exceeded the expenditures, and cash balances were deposited at irregular intervals in the United States Treasury.

So many complications ensued from this system that an investigation was instituted by the Senate Committee on Post-Offices and Post-Roads. The chairman of this committee, Senator Ewing, submitted a report ascribing the derangement of affairs in the Department "to the uncontrolled discretion exercised by its officers over its contracts and funds."

President Andrew Jackson, in his annual message of 1834, adopted the suggestions of the committee and recommended that the Post-Office Department be so reorganized that the final adjustment of accounts and disbursements be confided to officers appointed by the President and affiliated with the Treasury Department, so as to be entirely independent of the Department whose transactions they were called upon to consider.

The Senate committee, after further investigation, made a final report January 27, 1835. This report vividly portrayed the abuses which had grown up under the current system, and urgently recommended such change in the organization of the Department as would place the collection and the disbursement of its funds under the control of officers entirely independent of each other.

Hon. Amos Kendall, who had meantime become Postmaster-General, in his annual report of December 4, 1835, strongly urged the proposed reorganization. He expressed his belief in the soundness of the principle that public officers who have an agency in originating accounts should have none in their settlement. He desired that the system in his office should conform to that already existing in the War and Navy Departments, which were organized upon that principle. He said: "The most important improvement required is to separate the settlement of accounts entirely from the Post-Office Department and vest it in an auditor appointed by the President with the advice and consent of the Senate."

In pursuance of the foregoing recommendations the act of July 2, 1836, entitled "An act to change the organization of the Post-Office Department and to provide more effectually for the settlement of the accounts thereof," was passed. This act provided a separate auditor for that Department, who was authorized to settle all accounts accruing therein, subject to an appeal by either the Postmaster-General or the claimant to the Comptroller of the Treasury, whose decision was to be final.

ORGANIZATION AND PERSONNEL.

The official staff of the bureau at the close of the official year is as follows:

Auditor.—Henry A. Castle, Minnesota.
Deputy Auditor.—Abraham L. Lawshe, Indiana.
Chief clerk.—John M. Bishop, Tennessee.
Disbursing clerk.—B. W. Holman, Wisconsin.
Law clerk.—David H. Fenton, Indiana.
Collecting division.—Chief, Arthur Clements, Maryland.
Bookkeeping division.—Chief, David W. Duncan, Pennsylvania.
Pay division.—Chief, John B. Sleman, Illinois.
Inspecting division.—Chief, M. M. Holland, Ohio.
Checking and assorting division.—Chief, R. M. Johnson, Indiana.
Foreign division.—Chief, Emanuel Speich, Nebraska.
Recording division.—Chief, B. A. Allen, Kansas.

The employees number 496, embracing 7 chiefs of division, at $2,000 per annum; 18 clerks of class 4 at $1,800; 65 clerks of class 3 at $1,600; 81 clerks of class 2 at $1,400; 98 clerks of class 1 at $1,200; 83 clerks

at $1,000; 21 clerks at $900; 20 money-order assorters at $900; 26 money-order assorters at $840; 2 messengers at $840; 23 money-order assorters at $720; 12 assistant messengers at $720; 23 male laborers at $660; 3 female laborers at $660, and 10 charwomen at $240.

DISBURSING CLERK'S REPORT.

The transactions of the disbursing office, in payment of salaries of employees during the fiscal year, were as follows:

Appropriation for salaries for office of Auditor for the Post-Office Department for 1899	$564,080.00	
Amount of appropriation undrawn	80.00	
Amount of appropriation drawn on warrants of the Secretary		$564,000.00
Disbursed in salaries as follows:		
1898, third quarter	$139,766.23	
1898, fourth quarter	139,697.88	
1899, first quarter	140,388.90	
1899, second quarter	140,468.64	
Total	560,321.65	
Unexpended and deposited with Treasurer of the United States	3,678.35	
		564,000.00
Amount of appropriation unused		3,758.35

The amount of appropriation unused represents absences without pay and lapses between the separation of an employee from the service and the qualification of his successor. Every effort has been exerted to reduce this item to the minimum, as we need the services of every clerk. But in spite of these efforts it will be seen that the aggregate of these absences and lapses would employ four $900 clerks for an entire year.

WORK OF THE DIVISIONS AND IMPROVED METHODS INTRODUCED.

The postal service is in a state of rapid, unremitting improvement and expansion. It is really, instead of a true governmental function, a combination of transportation and financial agencies, so universal in its scope as to reach every industry and every individual in the country; so progressive in its nature as to promptly utilize every invention or instrumentality that may expedite its methods or increase its already marvelous efficiency.

To promptly and correctly report all the complicated financial transactions involved in this extended system, to follow its incursions into new fields of active enterprise, to hold it within bounds fixed by the lawmaking power by which we are all governed, without crippling its energies when unexpected emergencies arise, is the herculean task set for the officers and employees of this responsible bureau. To meet the increasing demands of the rapid growth of the service with no adequate numerical increase of employees is a problem the constant pressure of which is painfully felt. To meet new conditions and to remedy defects which are developed from time to time in existing methods, frequent changes are necessary. Sometimes these changes are in the direction of simplifying the work without impairing its efficiency, by which means labor is saved that can be usefully employed in other pressing directions. In other cases more elaborate and careful methods must be employed in order that the interests of the Government may be fully safeguarded.

The auditing system of this bureau is thus in a constant state of change and development. That this development during the past year may be understood, it will not be amiss to state at this point the functions and duties of the several divisions, and concisely set forth some of the more important innovations.

THE BOOKKEEPING DIVISION.

The bookkeeping division prepares the quarterly and annual reports of receipts and expenditures, receives and settles the accounts of postmasters, postal depositories, including those of the Treasurer and Assistant Treasurer of the United States, and of the disbursing clerk of the Post-Office Department; keeps the general ledger accounts of the postal service, and an individual ledger account with each postmaster and mail contractor; registers the Postmaster-General's transfer drafts, and all warrants drawn upon reports made by the pay division for transporting the mails, expenses of the rural free delivery service, purchase of supplies for and miscellaneous expenses of the postal service. A record is kept of the appointment and salary of each railway postal clerk, letter carrier, and clerk in first and second class post-offices, and postmasters are required to make proper payments to these persons.

CHANGES INTRODUCED.

Heretofore allowances for clerk hire were made in a lump sum, which the postmaster was permitted to spend at his discretion. The First Assistant Postmaster General now furnishes the Auditor with a list of the names and salaries of all the clerks in first and second class offices—over 14,000—and postmasters are required to pay to each his fixed salary.

Through the cooperation of the Post-Office Department the Auditor now receives separate credit slips for damaged stamps returned by postmasters, instead of sheets containing a list of credits allowed to thirty or more offices. This innovation saves time and labor in copying records, and enables us to file the credit authorizations in the accounts to which they pertain.

A closer check is being kept on postmasters who are delinquent in rendering their accounts or in making their deposits of surplus postal funds, and when deemed advisable "inspectors' cases" are prepared and forwarded to the Fourth Assistant Postmaster-General. This has resulted in changes for the good of the public service, and in securing moneys due the United States negligently or unlawfully withheld by postmasters.

Postmasters who are tardy in rendering their accounts are written to and cautioned. If the delay continues their sureties are notified and requested to confer with the postmasters with a view to a prompt rendering of their accounts. This has proven very satisfactory and resulted in there being fewer delinquent accounts than formerly.

In settlements, preference is given to divided reports in order that the condition of the retiring postmaster's accounts may be determined, and an early final settlement effected.

The blank forms used by postmasters in making their quarterly reports have been generally overhauled and improved. This is particularly true of the fourth-class postal account, and of the various pay rolls for clerks, letter carriers, railway postal clerks, and others. The

circular letters sent from and blank forms used on this division in the settlement of accounts have also been revised and improved.

A large number of quarterly returns from fourth class offices were erroneously mailed to the different bureaus of the Post-Office Department, particularly to the office of the Third Assistant Postmaster-General. A special envelope for mailing these reports has been adopted and postmasters instructed in their use, with gratifying results.

A great many offices of all classes were forwarding their quarterly postal accounts by "registered" mail. This was deemed unnecessary, and postmasters have been instructed to forward their reports by ordinary mail, thus saving to the postal service much time and trouble in transmission.

A special envelope, with the large letters "B K," has been prepared and is inclosed with correspondence requiring a reply. These envelopes are so marked that when an answer is received in them they are quickly assorted and distributed to the proper section or desk. A special envelope has also been adopted for mailing certificates of deposit and weekly transcripts to the Auditor. Both of these have proved very satisfactory and helpful.

Formerly the immense number of fourth class postal accounts received at the beginning of each quarter were promiscuously distributed to be taken from their envelopes, properly folded, and indorsed. They were collected, assorted by States and offices, and again distributed to bookkeepers for settlement. Now these accounts are first assorted, distributed to the several sections, opened, and retained by the clerks in charge, thus effecting a saving of time and work.

The recapitulation of "stamps on hand at the beginning," "stamps received during," and "stamps on hand at end" of each quarter has been discontinued, as it entailed work without serving any useful purpose.

The use of newspaper and periodical stamps was discontinued June 30, 1898, and since that date postmasters charge themselves in their quarterly accounts with money collected from publishers and news agents for postage on second class matter. Postmasters make quarterly reports in detail of such collections to the Third Assistant Postmaster-General, who examines them and certifies to the Auditor the amount chargeable to each postmaster. Many differences are found between the amounts entered in the postal accounts and the amounts certified by the Third Assistant Postmaster General, and many corrections are made in amounts erroneously certified as chargeable, thus entailing on this office much more labor in the settlement of accounts than was formerly the case when "N. & P." stamps were used. Then they were included in the general stamp account, and the collection of second class postage was not made a separate item.

COLLECTING DIVISION.

This division reviews all postal accounts in which differences are found by the bookkeeping division; collects balances due from and pays balances due to late and present postmasters on postal account; keeps a record of all changes of postmasters, new bonds, and the establishment and discontinuance of post-offices; has charge of the postal files, and conducts the general correspondence affecting this part of the work.

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REPORT

OF THE

SECRETARY OF AGRICULTURE.

To the President:

I have the honor to report upon the work of the Department of Agriculture for the year ending June 30, 1899. This report touches upon the work regularly carried on by the several Bureaus, Divisions, and Offices, and also indicates the new lines of scientific inquiry inaugurated by the Department for the benefit of producers in the several States. A brief summary precedes more extended consideration. I have also endeavored to give in sufficient detail the reasons for the estimates presented to Congress to carry on the work for the coming year.

SUMMARY.

Weather Bureau.—The extension of the Weather Bureau service around the Caribbean Sea has been abundantly successful in noting the first indications of cyclones, forecasting their movements, and giving timely warning to our Navy, to merchant vessels, and to producers and others interested on land.

Division of Chemistry.—This Division is becoming a necessity to every Department of the Government in the making of chemical analyses. Foods are investigated, preservatives of all kinds examined, sugar beets analyzed, etc. An interesting inquiry has been made into the change which takes place in the composition of grains grown repeatedly on the same soil.

Division of Entomology.—Since Dr. Howard has shown owners of Smyrna fig trees on the Pacific coast how to get the fruit fertilized, there is good reason to believe that in a few years we shall obtain our fine figs from that locality. Investigation by this Division shows that house flies and mosquitoes may be greatly reduced by removing the propagating conditions.

Division of Botany.—The Department is gathering information regarding the life history of the plants that supply commerce with india rubber and gutta-percha, and should Congress be pleased to give direction, it will seek the plant zones in our island possessions where these commodities may be produced. The United States now pays $30,000,000 annually for rubber. We import between $4,000,000

and $5,000,000 worth of Egyptian cotton annually. Experimentation indicates strongly that, on suitable soils properly cultivated, this article can be grown here.

BIOLOGICAL SURVEY.—Plants and animals thrive and produce best where they are most at home. The Biological Survey is endeavoring to find the most congenial conditions for our plants and animals.

DIVISION OF VEGETABLE PHYSIOLOGY AND PATHOLOGY.—The hybridizing of grains is being conducted by the Division of Vegetable Physiology and Pathology, with a view to securing varieties (rust-resisting, drought-resisting, and cold-resisting) better suited to our varied soils and climates. Hybridization will also be applied in the immediate future to cotton, and efforts are now being made to get a hardier orange tree by the same process. The diseases of plants in the several States, including a serious fungous disease affecting sea-island cotton, and the diseases of fruit trees are also being studied.

DIVISION OF POMOLOGY.—This Division continues to experiment in many localities throughout the country with fruit-bearing trees, plants, and vines. For example, 119 varieties of the finer table grapes of Europe have been grafted on Phylloxera-resistant American stocks and sent to North Carolina and Florida. Special work is being done on the Pacific coast to get more definite data regarding the adaptability of varieties to that locality.

DIVISION OF FORESTRY.—The Division of Forestry is introducing practical and paying forestry on a large scale among lumbermen, and extensive experimentation in tree planting is being conducted, with cooperation on the part of those interested in woodcraft in the several States.

DIVISION OF SOILS.—The irrigation farmer of the West is being helped by the mapping and extended investigation of alkali soils and by the reclamation of injured or abandoned land, many acres of which have become sterile through the injudicious use of water.

DIVISION OF AGROSTOLOGY.—Cropping reduces the organic material in the soil. Long-continued cropping renders the soil unproductive. Grasses and legumes are the best agencies for restoring this organic matter. The Division of Agrostology is experimenting with home and foreign grasses and legumes in all sections of our country, to build up worn-out soils in some cases and to introduce useful varieties in others.

OFFICE OF EXPERIMENT STATIONS.—Cooperation between the Department and the experiment stations becomes closer every year. Assistance from the States is increasing and the farmers of the several States are appreciating their station work more and more. Experimentation in Alaska has begun with Congressional aid. This work should be extended to Hawaii, Puerto Rico, and the Philippine Islands, so that they may be enabled to supply the United States with tropical products, our importations of which amount to over two hundred million dollars annually.

OFFICE OF PUBLIC ROAD INQUIRIES.—There is great interest at the present time in the public highways of the country. Extensive experimentation is being conducted by the Department in cooperation with local authorities in building sample roads from the materials found in different localities, and in the laying of steel track.

DIVISION OF PUBLICATIONS.—During the year 603 publications were issued and over 7,000,000 copies distributed among the people. Of the Farmers' Bulletins, 2,437,000 copies were printed and distributed, which did not meet the full demand.

SECTION OF FOREIGN MARKETS.—Shows rapid growth of American commerce with all parts of the world. We continue to sell raw material to foreign countries, from which they manufacture high-selling articles. Trade regulations are prohibitory against American meats in some European countries where importations of cheap grains from which meats are made are encouraged. The American farmer can not afford to export nitrogenous grains or mill feeds for this purpose.

BUREAU OF ANIMAL INDUSTRY.—The work of this Bureau increases rapidly. Meat inspection was conducted last year at 138 abattoirs in 41 cities. The ante-mortem inspections were 53,223,176, while the number in 1892 was 3,809,459. The third year of experimentation with hog cholera shows that from 75 to 80 per cent of hogs injected with serum are saved. Encouraging results have come from the introduction of dairy products into foreign markets. The Department sends shipments abroad for the purpose of ascertaining the facts regarding such products; these facts are published, and commerce naturally follows.

DIVISION OF STATISTICS.—Fifty thousand crop reporters keep the Division of Statistics informed regarding the condition of our staple crops, and every effort is being made to promptly give the people the facts as they are found.

GARDENS AND GROUNDS.—The grounds of the Department and its extensive greenhouses serve a useful purpose, more than 100,000 plants and bulbs, all of economic value, having been distributed during the year by the Superintendent. This official is now prepared to supply tea plants for experimentation in the Gulf States.

SEED DISTRIBUTION.—The Department in the distribution of seeds is aiming to conform to the original spirit of the law by the importation and distribution of what is rare and valuable.

WEATHER BUREAU.

The establishment of stations around the Caribbean Sea has enabled the Weather Bureau to note the first approach of the West Indian cyclone and to warn shipmasters in port and interested persons on land, with remarkable certainty, of its approach.

EXTRACTS FROM THE REPORT OF THE CHIEF.

The following paragraphs, extracted from the report of the chief of the Bureau, set forth some important features of the work:

COLD WAVES.

Among the most important warnings issued by the Weather Bureau are those which give notice to agricultural and commercial interests of the approach of periods of abnormally low temperature. Warnings of this class have been particularly successful during the past year, and a not unimportant feature of the advices has been estimates of the probable continuation of injuriously low temperatures. In fact, a special effort has been made, and will be sustained, to afford all interests all the information regarding future weather conditions that is warranted by modern methods, appliances, and skill in forecasting. The recognized

accuracy of the temperature forecasts have caused them to be closely watched by various interests, and in the commercial centers movements of perishable goods are almost absolutely controlled by advices received from the Weather Bureau.

By far the most important cold wave, or series of cold waves, of the winter crossed the country from the North Pacific to the South Atlantic coasts during the first half of February, 1899, damaging crops and fruits in the Southern States to the extent of millions of dollars. During the first eight days of the month the lowest temperatures on record were reported at points in the North Pacific coast States; from the 9th to the 12th many places in the Central, Western, and Northwestern States reported the coldest weather on record. During the 13th and 14th the cold wave overspread the Southern and Eastern States, attended on the 13th by the lowest temperature on record from the Southern Rocky Mountain slope to the South Atlantic coast, by zero temperature to the Gulf coast of Alabama, and by a snowstorm of unprecedented severity in the Middle Atlantic States.

The Weather Bureau forecasts and warnings gave ample and timely notice to all interests of the advance of the cold wave, and special reports and newspaper comments gave unquestionable evidence that the warnings prompted protective measures whereby crops, live stock, and perishable goods and merchandise to the value of hundreds of thousands of dollars were saved. Along the Middle Atlantic and New England coasts the character of the storm called for the display of hurricane signals, the extreme warnings of the Bureau.

The detailed action taken in connection with this cold wave and storm and the numerous newspaper comments relating thereto, for which space can not be given here, will be found in the Monthly Weather Review for February, 1899. All reports and comments bear witness to the fact that the work of the Weather Bureau in connection with this, the severest cold wave in the history of the Southern States, was as nearly perfect as the most approved methods of disseminating warnings would permit. The amount saved by stockmen in the West and Southwest, by truck growers in the Southwest, and by fruit growers, gardeners, and orchardists in the Southern States, and more especially in Florida, is incalculable. The superintendent of the Florida East Coast Line reports that the warnings sent along his line of road, fifteen hours in advance of the cold wave, alone resulted in saving one-half of the vegetable crop, and that the value of the crop was estimated at $1,000,000. The exceptionally severe character of the storm along the Middle Atlantic and New England coasts amply justified the special warnings sent to that section.

CLIMATE AND CROP SERVICE OF CUBA AND PUERTO RICO.

In the latter part of October, 1898, instructions were given to the official at San Juan, Puerto Rico, to establish a climate and crop service in that island, and later similar action was taken in Cuba. Sufficient instruments and shelters of standard pattern were sent into both islands and voluntary stations established as rapidly as the cooperation of efficient observers could be secured. By the opening of the new year the issue of the Weekly Climate and Crop Bulletin had begun in Puerto Rico, and similar bulletins for Cuba were first issued about the middle of May. The illness of the official in charge unfortunately interrupted the work of the Puerto Rico section, which, however, was resumed in May and has since continued. Arrangements have been completed by which monthly section reports, after the standard, for both Puerto Rico and Cuba will be issued hereafter, work on the first report, that for May, 1899, for Puerto Rico, being well in hand. Notwithstanding the serious difficulties which were encountered in the prosecution of the climate and crop work in these islands, due in a great measure to the fact that the Spanish language is exclusively spoken, much has been successfully accomplished, as evidenced by the fact that both sections issued weekly bulletins with regularity after the middle of May.

From the many courteous and complimentary communications that have been received and notices published in the newspapers, both on the islands and in the United States, it is evident that the efforts to establish this service have been successful and have met a popular need. As the residents of the islands become more conversant with the aims and scope of the service they will appreciate more fully what a great benefit it is, both climatologically and financially.

LOSS OF LIFE AND PROPERTY BY LIGHTNING.

The collection of statistics of loss of life and property by lightning, referred to in a previous report, has been continued. The number of deaths by lightning stroke in the calendar year 1898 was 367 and the number of injuries 494. The places where the proportion of deaths to total population was the greatest were

the Upper Missouri Valley and portions of the Rocky Mountain region. The proportion of deaths by lightning in the United States to the total population is about five in a million, which, it may be remarked, is higher than the average of most countries.

Nine hundred and sixty-six barns, sheds, etc., 735 dwellings, stores, and office buildings, 95 churches and schools, and 70 other buildings were struck and damaged by lightning, the approximate loss being about a million and a half dollars. Of the buildings struck, 40 were provided with lightning rods, 855 were not, and in 952 cases it could not be ascertained whether the building was provided with rods or not.

Nine hundred and sixty-four head of cattle, 306 horses, 30 mules, 426 sheep, and 116 hogs were killed by lightning during the calendar year above referred to. The total value of the stock reported killed was $48,257.

Lightning has caused great loss of life and property thus far during the calendar year 1899.

AERIAL OBSERVATIONS.

At the close of the last fiscal year 17 kite stations were in operation and 248 ascensions had been made, in each of which the elevation attained exceeded 1,000 feet. The work was continued until about the middle of November, 1898, at which time 1,217 ascensions of 1,000 feet and over had been made.

The study of the records of temperature, pressure, and humidity thus secured was intrusted to Mr. H. C. Frankenfield, forecast official, whose first report has been submitted. For the first time in the history of meteorology we have facts instead of hypotheses as to the average gradient of temperature up to 6,000 or 8,000 feet, free from all injurious influences, and for so many days and over such a large region of country that it has a broad significance; evidently it is the only proper gradient to be used in reducing atmospheric pressures or temperatures, up or down, from any observer's level. Notwithstanding the imperfections attending the beginnings of any such entirely novel work, these 17 stations, with their 1,217 ascensions in the course of six months, have probably added more to our knowledge of vertical gradients of temperature, humidity, and wind, in the daytime of summer, in the lower portion of the atmosphere, than the sum total of all that was previously known upon the subject.

STUDY OF TEMPERATURES AT STATIONS IN ALASKA.

The Bureau is studying the temperatures at stations in Alaska to learn what effect they may have on rainfall in California, and when cables are laid around the Pacific, with observers stationed at numerous places, the ocean currents and their effect on our Pacific coast, being more intelligently studied, will be better understood. The severe cold wave of last winter that destroyed so many fruit trees suggests the continued improvement of our means of observation.

RECOMMENDATIONS.

The greatest returns from the large sum ($1,022,482) spent annually in the maintenance of the Weather Bureau are from the warnings to marine interests of destructive storms and predictions of cold waves and frosts for the benefit of agriculture and commerce. An appropriation of $95,000 for the purpose of equipping storm-warning stations with improved lights and durable iron flagstaffs and towers from which these important signals can be advantageously displayed is urgently recommended; also an increase of $25,000 in the fund for telegraphing weather reports and improving the river and flood service in order to meet the numerous demands now almost daily made upon the Weather Bureau of this Department by boards of trade, cotton exchanges, marine associations, and large individual owners of ocean, lake, and river property.

DIVISION OF CHEMISTRY.

This Division has continued its study of various soils under identical conditions with satisfactory results. Improved methods of analysis have been devised and published for the benefit of agricultural chemists throughout the country.

Much time and attention has been given to the investigation of food products to ascertain the composition and nutritive value of commercial foods, and definite data have been secured.

Careful and systematic research has been made in this Division for preservatives of all kinds which may have been used on meats. The attitude which the Department should take toward preservatives has been frequently outlined in official reports, but it may be as well to restate it here, as the matter is of great importance. It is well stated in the report of the Chemist, as follows:

> It is not regarded as a wise thing to absolutely prohibit the use of preservatives in foods. Since, however, all chemicals which have the properties of preserving foods also have a tendency to interfere with the processes of digestion, it is held to be imperative that no food should be offered for sale which contains a preservative without having this fact plainly stated upon the label of the package. Not only should the label state that the food product contains a preservative, but it should also give the name of the preservative and the quantity employed. In this way the intending purchaser is fully informed in regard to the character of the product which he buys. While it has been established that a healthy stomach can, from time to time, receive with impunity food containing small quantities of preservatives, it is by no means certain that the continued practice of ingesting preservatives in foods would not produce serious injury. On the other hand, it is also quite certain that weak or diseased stomachs may suffer temporary or permanent injury from even minute quantities of preservatives.

Twenty tons of high-grade sugar-beet seed were imported from Europe for distribution under the supervision of the Chemist. This was sent out mainly through the experiment stations of the States and Territories interested in beet culture. Analyses of beets have also been made by the Division for all recipients of this seed desiring such service.

The State, War, Treasury, Justice, Post-Office, and Interior Departments of the Government frequently call upon the Department of Agriculture to have chemical work done, which suggests the wisdom of preparing to do this work through statutory provision recognizing the Division of Chemistry and providing means to enable it to serve all the Departments.

Deterioration in the gluten content of wheat is being inquired into.

DIVISION OF ENTOMOLOGY.

There are very large numbers of Smyrna fig trees in California that have never matured fruit because the flowers were never fertilized. Dr. Howard, chief of this Division, suggested the importation of an insect (*Blastophaga grossorum*) which in the Mediterranean countries fertilizes this fig. This has been successfully done, and the insects have multiplied and fertilized many figs that matured.

Dr. Swingle, who made the importation, is carefully studying the habits of the insect and teaching the owners of the trees regarding it. There is good reason to hope that our country will get its figs in future from the Pacific coast. The Division continues its study of injurious insects that may invade our territory from contiguous countries. Volunteer observers for this Division are studying injurious Puerto Rican insects. Sets of injurious insects are being received from several foreign countries with which we have intercourse. Insects are being studied that are destructive to forests in the Northwestern States. The life history of the San Jose scale, through the work of this Division and State officials, is now well understood. Experimentation in this Division to learn whether this scale would live on dried fruit has convinced most foreign importers that they may safely handle this product.

Investigation is being made by this Division regarding the ability and likelihood of house flies and mosquitoes to carry disease; also by many scientists, who call upon Dr. Howard for exact information bearing upon the life histories of these insects. Life histories of insects injurious to garden crops, grasses, and tobacco are being made out. The Mexican boll weevil is under consideration and the geographic distribution of insects is being carefully mapped, both lines of work in cooperation with local entomologists. Experimental work with remedies and their effects on foliage has been undertaken. The honey bee is being studied along practical lines, such as the preventing of swarming, queen rearing, and the like. Much inquiry comes regarding the large bee of the East, which we will import as soon as arrangements can be made.

DIVISION OF BOTANY.

The many deaths of human beings and farm animals caused by poisonous plants justify continued work by this Division with regard to them. Several hundred tests have been made of seeds bought in the open market, showing that imported grass seed, particularly, requires the attention of the Department on account of its impurities. Dealers in these articles have been warned, and further tests will be made. The work of seed and plant introduction has been attached to the Division of Botany in order to avoid multiplicity of supervision. During the last year explorers have been sent to Russia to secure superior varieties of cereals resistant to cold, drought, and fungous diseases.

One explorer went to Japan to procure varieties of rice possessing high milling qualities, for cultivation under the new system in Louisiana and Texas, by which the rice fields can be flooded when necessary and dried at pleasure to admit the harvester. A testing garden has been secured on the Potomac flats, through the courtesy of the War Department, where observation may be had of plants introduced from

foreign countries, so as to avoid new plant diseases. The acquisition of tropical islands by the United States has brought many inquiries to this Division regarding the cultivated plants of the Tropics. There is now widespread interest in tropical agriculture and a demand for correct information on the subject, which the Department must be prepared to satisfy.

BIOLOGICAL SURVEY.

During the fiscal year 1898–99 field work was carried on in four States (California, Maryland, Nevada, and Texas) and two Territories (New Mexico and Alaska), and also in British Columbia and Northwestern Territories. In 1898 the principal work was done in California and in 1899 in Texas and Alaska. Work was done under the direction of the chief of the Division on Mount Shasta and in the surrounding country. Several life zones were run from the bottom of the Sacramento and San Joaquin valleys to the summit of the Sierra, and also in other valleys of the Pacific coast. The rapid settlement of Alaska has attracted attention to that Territory. A favorable opportunity for investigation was afforded our biologists through the liberality of Mr. Edward H. Harriman, of New York, who fitted up an expedition for a trip along the Alaska coast.

During the year 1,381 bird stomachs were received and 1,961 were examined in the laboratory. The collection contains 31,300, the accumulation of fourteen years; less than 50 per cent have been examined. Detailed reports of some of this work have been published by the Department. The object is to obtain reliable data respecting the food habits of these birds and to determine their value or possible injury to the farmer. Considerable work has been done to determine whether birds show marked preferences in selecting food or simply eat what is most abundant. Work continues along the line of comparing and tabulating data and mapping the geographic distribution of birds. Similar data have been tabulated for mammals.

The Biological Survey has determined the natural crop belts of the United States and has undertaken to map their boundaries and to prepare detailed lists of the agricultural products adapted to each. A preliminary report on this subject, illustrated by a colored map, has been already published (Bulletin No. 10, Division of Biological Survey). By ascertaining in advance the areas suitable for each variety of fruit, vegetable, and cereal, the Biological Survey aims to put a stop to the present indiscriminate and wasteful experimentation in which farmers spend vast sums of money each year vainly trying to force crops to grow in places unfit by nature for their cultivation.

The crop belts have been found to conform to certain temperature conditions and to coincide with natural belts inhabited by particular kinds of animals and plants, so that their boundaries may be fixed

by a study of the geographic distribution of our native species. The work of mapping the life belts can be done only by experienced field naturalists. Persons qualified by knowledge and experience are few and difficult to secure, regardless of compensation. The Department, owing to the limited means at its disposal, has not only been unable to increase the small force long engaged in this work, but has lost several assistants who have resigned to accept better positions elsewhere, for each year members of the Biological Survey are offered salaries much higher than those the Department is able to pay. No increase in the appropriation has been made for seven or eight years, as a consequence of which it is impossible to carry on the work as economically as could be done with a slightly larger and better equipped force. Much time is lost in fitting young and inexperienced assistants to replace those who resign to accept more profitable positions elsewhere; and it is often necessary to extend a piece of field work over several seasons which might be completed in a single season, with a considerable saving in expense.

DIVISION OF VEGETABLE PHYSIOLOGY AND PATHOLOGY.

This Division has been making a careful study of plant nutrition, the heredity of plants, and improvement by breeding and selection. While the Department is endeavoring to ascertain, through the Biological Survey, where plants are most at home and under what climate and soil conditions they prosper best, the Division of Vegetable Physiology and Pathology studies the phenomena of plant life itself. The diseases affecting timber are being studied in order that something may be published for the benefit of the public during the forthcoming year. When our people become alive to the necessity of reforesting many parts of our country the value of a correct knowledge of the diseases affecting living trees will be more apparent.

The diseases of trees are as a rule of such a nature as to necessitate much careful investigation to discover the causes. Some are due to unfavorable surroundings, such as soil or plant food, or to the presence of noxious substances in the soil and air. The little-peach disease in Michigan threatens to cripple the peach industry seriously unless some means of checking it are found. A scientist from this Division has been detailed to study the conditions and obtain all the light possible on this disease in Michigan and elsewhere. Definite conclusions have not been reached. The past summer has not been favorable for studying the disease, because during the severe winter of 1898–99 many trees partially diseased were killed outright.

The study of pear blight has been continued, also diseases of white and sweet potatoes. It was found that a serious disease of the sweet potato can be prevented by a simple treatment with formalin solution. A serious fungous disease is affecting the sea-island cotton. One of

our ablest men has been detailed to study the matter on the spot. This disease attacks other plants than cotton, and seems to be spreading. The fungus appears to be of great vitality, and may live in the soil for years, attacking the cotton plant when planted again after other crops. In connection with this work it is proposed to inaugurate experiments in breeding cotton, which will have for their object the improvement of varieties of the crop both as regards marketable qualities and ability to resist various diseases.

The pathologist who has charge of plant breeding has been detailed to assist the Section of Seed and Plant Introduction for the greater part of the year, and in Russia and other wheat-producing countries he secured varieties as a basis for future work, in addition to collecting large quantities of cereals for distribution. Another scientist from this Division has been detailed to assist the Division of Soils in extensive work on the curing and fermentation of tobacco. Advances have been made by this Division in the use of pure yeasts for the production of grape, apple, berry, and other wines. The yeasts have been introduced from Germany by agents of the Department. Cultures of these yeasts were made to determine their purity, and after this preliminary work experiments were made to determine their effects upon the fermentation of cider. Our people have been selling apple parings, apple corings, dried apples, and cheap apples by the ton to foreigners, who, with the aid of these yeasts, have been making very desirable articles of commerce. It is designed that our own people shall have the benefit of these discoveries in the future.

Questions have arisen regarding the effects of continued spraying with copper sulphate—as to whether its accumulation in the soil after long use will render the soil sterile. The nature of this work is such that it will take some years to carry it to a successful conclusion. This Division renders much assistance to the Section of Seed and Plant Introduction by inspecting new seeds and plants, so as to avoid the introduction of new fungous and parasitic diseases, and also by treating the grains imported and distributed by the Department. Plant breeding is attracting more attention than usual. An assistant of this Division was sent to attend the International Conference of Plant Breeders in London during the present year, so as to make himself familiar with the methods pursued in foreign countries. The work that may be done in improving plants by breeding is quite analagous to that which has been done in improving domestic animals by the same method.

The production of large varieties through selections that will improve either plant or animal; the development of varieties for particular purposes, as is done in the case of animals; the cross-breeding of plants, so as to develop varieties that will be more hardy, fungus resisting, drought resisting, early maturing, or late maturing, are all under consideration. It is hoped by hybridizing to get a

hardier orange tree for the Southern States, and thousands of crossbred plants were sent out this spring with this object in view. Seedling pineapples secured by crossbreeding are ready for sending out, and will be placed in suitable localities. Arrangements have been made with the Nebraska Agricultural Experiment Station for cooperative work in crossing corn. An interesting field is offered here, as this cereal is one of the great staple crops of the country, and nothing has been done along this line. Selection has been relied upon altogether for the improvement of this cereal.

The agent of this Division on the Pacific coast is at work on peach-leaf curl and on diseases of lemon, orange, and walnut trees—industries in which the people of the coast are vitally concerned. The crossing of raisin grapes has progressed far enough to warrant the statement that time and judicious work are all that are necessary to obtain the hardiness of plant and the required fruiting qualities in California, Arizona, and Nevada.

The subtropical garden located in Florida is used in making preliminary tests of hybrid fruits obtained in the regular work of the Division and also to test the new plants imported by the Section of Seed and Plant Introduction, about which we desire further information before distribution. This garden has hybrid citrus (orange, lemon, lime) and guava trees and a large number of seedlings. Pineapple plants and imported French grapes are being tested with a view to determine their value for the Southern States.

DIVISION OF POMOLOGY.

The distribution of fruit-bearing trees, plants, and vines has been largely increased during the past year owing to the facilities afforded by the Section of Seed and Plant Introduction, and thus the theories of specialists can have a practical application. During the year 2,700 lots have been placed with about 275 experimenters in various portions of the country. Consul Merriam at Iquique has sent us a lime from the interior of Chile and a reputed hardy type of alligator pear. The last mentioned is being thoroughly tested in the Southern States. A reputed hardy variety from Mexico is also being experimented with.

Experimentation under the direction of the Division is being conducted in North Carolina and Florida, with a view to the successful production of the finer table grapes of Europe. One hundred and nineteen varieties grafted on Phylloxera-resistant American stocks have been planted by the experimenters, as well as 43 varieties of "direct producers" and "resistant stocks." These vines were imported through the Section of Seed and Plant Introduction, and more varieties will be added during the coming year, so as to have thorough and comprehensive tests made of all varieties likely to be useful. A bet-

ter knowledge of fungous diseases at the present time gives hope that we can produce these fine grapes more successfully than was done a number of years ago, before the science of applying fungicides was so well understood. The results of experiments in root-grafting by this Division are being prepared for publication.

A catalogue of fruits recommended for cultivation in various sections of the United States by the American Pomological Society, which was published in 1897, has been thoroughly revised by a committee of that society working in cooperation with the divisional force. To secure more definite data regarding the adaptability of varieties on the Pacific coast, Prof. E. J. Wickson, of the University of California, was last year appointed a special agent to conduct special investigations on the subject among the growers of that region. Extended preliminary investigations of the conditions of the fruit industry in Idaho, eastern Oregon, and western Washington were made by the Pomologist during the autumn of 1898. The fruit industry as a commercial enterprise is comparatively new in both these sections. The outlook for the commercial fruit grower there is very promising.

The unusually low temperature reached in 1899 worked permanent injury to the trees and vines in many sections. Many that were supposed to be hardy have been killed outright in many localities. The Division of Pomology is endeavoring to ascertain the facts with regard to varieties, so that it may be able to make recommendations for certain localities.

In preparing a horticultural exhibit for the Paris Exposition the Division will secure such fruits especially as are now in demand or may find a market in foreign countries. Canned, dried, and evaporated fruits and vegetables will be shown in great variety. The apple and the orange will be prominent among fresh fruits, and the pecan and shagbark among nuts. Everything is being done along these lines to inform the world regarding our marketable products and to assist merchants in finding markets.

DIVISION OF FORESTRY.

The work of this Division has been entirely reorganized during the year. This and the introduction of practical and paying forestry among lumbermen on a large scale, the extensive investigations in tree planting, preparatory to practical work with tree planters, and the widespread interest and cooperation in the work, especially among lumbermen, are the most important facts to be reported. A striking instance of this cooperation is the action of the redwood lumbermen of San Francisco, who voted to subscribe $1,000, and offered free transportation and free subsistence in their camps to our agents, so as to advance by one year the time when the Division, delayed by

lack of funds, could begin work on the growth and reproduction of the redwood.

Notwithstanding the increased appropriation made by the last Congress, it is still utterly impossible to cover the field of necessary action. Very many demands made for work of great importance to the preservation and proper use of forests in the United States can not be complied with for lack of means. It is earnestly hoped that the Division may be enabled during the next fiscal year, through a largely increased appropriation, to take advantage of the unprecedented opportunities created by the rapid public awakening to the meaning and value of practical forestry.

At present all work in the Division is assigned to four sections, each one in charge of a man of special knowledge and qualifications. These are: The section of working plans, which has charge of all practical work in the woods; that of economic tree planting; that of special investigations, dealing with the habits and characteristics of trees which affect their use in practical forestry; and that of office work. But two of the various grades of technical assistants under the heads of sections require mention here.

COLLABORATORS AND STUDENT ASSISTANTS.

The first grade is that of collaborator. The collaborators are experts of established reputation on forestry, lumbering, or tree planting, and are scattered throughout the country. They prepare and forward for publication treatises on subjects previously agreed upon. Through them the best experience of trained specialists becomes available to the Division at a very moderate cost. The pay of a collaborator is $300 a year.

The grade of student assistant was created to provide trained men for the future needs of the Division and to supply it immediately with assistants of high intelligence at small cost. Twenty-eight of these assistants have been employed during the summer, the majority of whom are college or university men. Only those who have declared their intention to adopt forestry as their profession are received. In the field they work under the supervision of trained foresters, especially in the preparation of working plans and the study of commercial trees. The pay of a student assistant is $25 per month.

Both collaborators and student assistants have been of marked value to the work of the Division.

PRACTICAL ASSISTANCE TO FARMERS, LUMBERMEN, AND OTHERS.

Last October a circular was issued (No. 21 of the Division of Forestry) offering advice and practical assistance to farmers, lumbermen, and others in handling their forest lands, with a view of bringing about the substitution of conservative for destructive methods. This

offer provided for the preparation of working plans, with full directions for work and with practical assistance on the ground, without cost to the owners of wood lots, but in the case of larger tracts requiring the owners to meet expenses for travel and subsistence, and for the necessary helpers for the agents of the Division while in the field.

During the year applications were received from 123 owners in 35 States for the management of 1,513,592 acres. Of these applications, 48 were for large tracts covering together 1,506,215 acres, the remainder being for wood lots.

Personal attention on the ground was given to 41 tracts, covering about 400,000 acres in 19 States. The contribution of private owners to the expenses of this work was about $3,000.

It was found possible for the owners of a majority of these tracts to carry out the working plans without personal assistance, but 15 of them required the active participation of the Division. On two of the latter, comprising 108,000 acres, the working plans were put into execution early in the year, and the first year's work has been successfully completed. The second year's work is being pursued under very favorable conditions.

As a result of a calculation, based on exact measurements, of the amount of lumber wasted by the prevailing practice of cutting high spruce stumps in the Adirondacks, there has been a decided change for the better on certain tracts, and at the same time a great reduction in the amount of young spruce cut for road building has been brought about. These are important changes.

In connection with the preparation of the working plans for the two large tracts in the Adirondacks, a special study has been made of the growth and production of the spruce on the eastern side of the mountains and of birch and maple on the western slope.

Of the total amount of land submitted for working plans, about 1,200,000 acres have not yet been examined. These tracts will be considered during the ensuing year as fast as the very inadequate force of the Division will permit, and working plans will be made for a selected number.

The Division has been thoroughly equipped with instruments for field work, in which it was wholly lacking at the beginning of the year.

COMMERCIAL TREES.

During the year five species of commercially valuable trees have been studied to determine their rate of growth and to ascertain their special qualities in forestry. The more important of these studies relate to the loblolly pine, in North Carolina, a tree of the first economic importance, and the red fir in Washington, also called Douglas fir, yellow fir, Oregon pine, etc., one of the most valuable and widely

distributed trees of the world. These studies have met with the cordial approval of lumbermen, and much practical assistance has been rendered by them. In addition the study of the coast redwood in California has recently been begun, and later, if enough money can be saved for that purpose, the white oak and the hickories will be taken up.

ECONOMIC TREE PLANTING.

The planting of experimental plats in cooperation with State agricultural experiment stations has been discontinued, and the stations have taken over the plantations and assumed the responsibility for them. This was done after a thorough study of the old plan, after careful examination of the plantations at nine of the eleven stations, and with the acquiescence of the authorities of every station. Two other lines of work have taken the place of experimental tree planting. One is a careful study of the results of the planting already done, in which all the species used in the cooperative plantations are represented, and from which practically all the results to be expected from them after many years may be gathered without delay and far more cheaply; and the other the giving of practical assistance to tree planters under the terms of an offer (set forth in Circular No. 22, Division of Forestry) similar to that made to forest owners.

Close relations have been established with five of the most competent men in the treeless regions, and these gentlemen are preparing reports on subjects of direct interest to tree planters.

In addition to the studies now being pursued, the work of the present year will in great measure be devoted, first, to giving practical assistance to tree planters in the selection of the proper trees to plant and in planting them rightly, and, secondly, to an attempt to determine the true effect of bare and wooded or brush-covered slopes on the run-off of streams. The vast interests affected by the solution of this difficult problem will justify the most persistent and careful work.

SPECIAL INVESTIGATIONS.

Forest fires have been studied historically and in the field, and important results have been reached. Records of more than 5,000 fires have been compiled and classified, and field work has been prosecuted in seven States.

A series of studies of North American forests by experts with special knowledge of definite localities is in progress, and it is expected that three of them will be completed during the coming winter.

Historical studies of the progress in forestry in New Jersey, Massachusetts, and other States have been begun, and those for New York are practically completed.

Much material has been collected for a general account of the

progress of forestry in the United States and of the practical application of conservative forest treatment in this country up to the present time.

Noteworthy progress has been made during the year in the photographic forest description of the United States.

OFFICE WORK.

The mailing list has been revised and extended, especially among newspapers, and much material for publication has accumulated and awaits attention during the winter. The botanical work formerly carried on by this Division has been turned over to the Division of Botany, where it more properly belongs.

During the year the force has been much increased, largely by the addition of young American foresters. At its highest, the total membership was more than five times that at the beginning of the last fiscal year.

PLANS FOR THE ENSUING YEAR.

Except for the new work referred to above, the plans of the Division, which have received my approval, do not contemplate any material changes from the lines of effort pursued in the year just past.

DIVISION OF SOILS.

FIELD OPERATIONS.

The Division of Soils has continued and considerably extended the investigation and mapping of the alkali soils of the irrigated districts of the West, mentioned in my last report, with results which are at once interesting and practically important to the irrigation farmer. Three field parties have been out during the season mapping a small area in the Yellowstone Valley in Montana; also about 150 square miles in the Pecos Valley, New Mexico, and 250 square miles in the vicinity of Salt Lake City, Utah, with a reconnoissance over a much larger area. Short circulars are being prepared for immediate and wide circulation calling attention to the conditions due to, and the best measures to prevent injury from, alkali or seepage water, as well as the best means for the reclamation of injured or abandoned lands. Fuller reports will then be prepared, with detailed soil and alkali maps on a scale of an inch to the mile, to be published in a volume covering the field operations of the Division during this year.

The trouble from alkali is due primarily to the large amounts of soluble salts generally present in all soils of an arid region. The rainfall is not sufficient to carry off the salts as they are set free in the decomposition of the rocks. These salts are naturally distributed

throughout the soil, and for a few years are not harmful. With the application of irrigation water, however, in the intensive cultivation of crops, the excess of water accumulates and is liable to fill up the subsoil, and this, together with the rapid evaporation in an arid climate, shifts the salts until they gradually accumulate at or near the surface in such quantities as to be beyond the endurance of crops. The natural drainage has of course a great influence on such an accumulation of both seepage waters and alkali.

Another, and perhaps the most important, cause of the rise of the subsoil water and accumulation of alkali is in the leakage or seepage from canals. As such damage is liable to be widespread, it is a matter for serious consideration whether canal companies should not be required to protect their ditches from undue loss, and individuals be restrained from overirrigation or made liable for damages in civil suits.

Another source of trouble is in the use of water for irrigation containing too large a salt content. Cases have been brought to my attention where land companies have, through extensive advertising, attracted many settlers, only to deliver water which the companies had previously been informed contained too much alkali for irrigation. Such action only invites widespread suffering and loss to the settlers.

In some districts the condition of the water can be controlled, in a large measure, by the water companies. Reservoirs are frequently lowered for repairs or for cleaning out at the beginning of a long dry period, and the remaining water concentrates by evaporation until it is really unfit for irrigation if the inflow is small and the usual floods are delayed. Furthermore, the first flood after a long dry spell often brings down great quantities of alkali, which have accumulated on the watershed during the dry season. Frequently these first flood waters should be diverted from the reservoirs, in order to prevent serious damage to the community.

These matters are clearly set forth in the report of the chief of the Division of Soils and in his statement of the field operations of the Division, to which attention is called.

RECLAMATION OF ALKALI LANDS.

When the alkali contains considerable quantities of carbonate of soda, the usual remedy is heavy applications of gypsum with drainage, if necessary, to insure thorough aeration of the land. When the other alkali salts or seepage waters have accumulated in excessive quantities, drainage is necessary.

So sudden and unexpected is the damage from the rise of seepage waters and alkali that estates worth thousands of dollars may have to be abandoned in two or three years, with an utter depreciation of value.

So widespread is the damage that in one tract alone near Salt Lake City there are 100 square miles of practically abandoned land, partly within the city limits, formerly containing some of the most fertile lands of the valley, which would have, under a conservative estimate, a value of over $3,000,000 if the original conditions could be restored. With the encroachment of the alkali the farmers are moving back on the higher levels.

The matter of artificial drainage, as a means of preventing damage and of reclaiming alkali lands, has been so often advocated without attracting the attention necessary to induce action, and the matter is of such vital importance to the West, that I have recommended to Congress an appropriation of $10,000 for the purpose of actually demonstrating the practical utility of the different methods of treating such lands.

SOIL MAPPING IN THE EAST.

Equally important work is being done in the eastern district of the country. Part of this will be referred to under "Tobacco investigations."

The methods of field soil surveys have been worked out in the past few years in this Department, and men have been carefully trained for such work. As no such training exists elsewhere in this country, several of the experiment stations and State geological and economic surveys have been glad to avail themselves of the cooperation of the Department, thus, while contributing to the expenses of the work, being relieved of the direction and responsibilities of making soil surveys of their States. Thus, a detailed soil survey has been undertaken of the soils of Maryland, in cooperation with the geological survey of that State, and of Louisiana, in cooperation with the State experiment station. Such cooperation will be encouraged so far as competent men can be obtained and the means at our disposal will permit. Other States are willing to contribute money, but the difficulty has been to obtain men and to find the time required to train them. There is a wide and valuable field in this work for the graduates of our agricultural colleges who are willing and able to undergo the necessary training.

TOBACCO INVESTIGATIONS.

The investigations of the tobacco soils of the country by the Division of Soils has shown so much of importance that last year I asked Congress for an appropriation to extend and supplement this work. This request was granted. The money was not available until the first of July, 1899, but since that time a large amount of the most important work has been done, which will be referred to in my next Annual Report. Briefly, this work includes the mapping of 400 square

miles in the Connecticut Valley, including the principal tobacco areas of that important locality. This map, which is being prepared for publication, shows the character of the soils and their distribution.

The soils occur in more or less well-defined terraces, formed by the old lake which covered that area in prehistoric times. The highest terraces, or the old lake bottom, are coarse sand, containing fine gravel. These "plains" soils produce the finest wrapper leaf when the season is favorable, but on account of the droughty character of the section such crops are only obtainable about two years in five. Some practical method can no doubt be found to make the crop more certain.

The next lower terrace is of finer sand, and it is upon this that the general crop of Havana seed leaf is produced. The next terrace is of still finer sand and produces the fine broad-leaf variety, while the lowest terrace, or the present meadows, is of such fine silt that it produces a coarse dark tobacco unsuited to the present market demands. There are other soils upon which tobacco can not be grown, and still others upon which tobacco of peculiar properties is produced, suited to certain trade. The map will show these soils in different colors.

CAUSE OF THE FERMENTATION OF TOBACCO.

To supplement this soil work, the Division of Vegetable Physiology and Pathology is cooperating in the study of the cause of the fermentation of tobacco. It has been found that the flavor and aroma are due not to bacteria, as was formerly supposed, but to enzyms or oxidizing agents in the leaf itself. The formation of these oxidizing agents and the conditions of their greatest activity are being studied.

It has been found that some of the soils of the Connecticut Valley are similar in all essential respects to the soils of Florida and Cuba, and an effort will be made, through changes in the methods of cultivation and fermentation based upon these investigations, to improve the quality of the Connecticut leaf so as to adapt it better to the present demands for wrapper for high-priced cigars. Next year it is proposed to investigate the soils of Pennsylvania and Ohio to see if the quality of the filler leaf grown on the heavier soils of these localities can not be greatly improved.

PHYSICAL AND CHEMICAL INVESTIGATIONS.

To supplement and support the field work of the Division, various investigations are being carried on, partly with the cooperation of the Division of Chemistry, in relation to many intricate soil problems, such as the retention and movement of the water through soils; the physico-chemical effect of fertilizers in soils; the absorption of salts; the physical properties of loams and clays; the plasticity of clay; the formation of hardpan, and similar subjects.

These matters are exceedingly intricate and difficult to work out, but the vast importance of the economic problems depending upon these properties of soils justifies a prolonged and searching inquiry into them.

Several instruments and methods have been devised and perfected in the Division of Soils which are of distinct advantage in these lines of soil investigation. Furthermore, the very large and valuable collection of over 4,000 samples of soil supplies very valuable material for these laboratory investigations.

DIVISION OF AGROSTOLOGY.

NATIVE GRASSES.

It is acknowledged that there is no country in the world so rich in the number and variety of useful grasses and forage plants as the United States. The investigations of the Division of Agrostology have demonstrated that the country abounds in native species adapted to nearly every variety of soil and climate and to almost every requirement. There are upland and lowland varieties, there are woodland and prairie species, there are kinds which exist only in the humid regions along the coast, and there are others which thrive in the arid regions of the interior. Some are productive hay grasses or afford abundant grazing, while others again are valuable for fixing drifting sands or reclaiming impoverished or waste lands. There are decorative species for the garden or lawn, and not a few are useful in the arts and manufacture. Grasses are chiefly important, however, as food plants for all kinds of stock, yielding beef, mutton, and other animal products, which are a source of great wealth to the country, and their investigation along these lines is a most useful and essentially practical work of this Department. The fine quality of the forage afforded by the native grasses of our vast cattle ranges is a matter of world-wide comment; the perpetuation and improvement of the most valuable sorts are matters of extreme importance, and these may well be the subjects of practical scientific investigations at our hands.

COOPERATIVE EXPERIMENTAL WORK.

In addition to the continuation of the work already established in Texas, other experiments have been instituted during the year in the States of Washington and South Dakota. The results obtained in Texas clearly demonstrate the possibility of materially improving worn out pastures and ranges by practical methods of treatment. Tests have been made of a number of promising drought-resistant grasses and forage crops, and some of these have shown great hardiness, as, for example, some of the saltbushes, sorghums, and vetches, as well as such native varieties as Colorado grass, blue grama, black grama, and wild rye. On the Pacific coast the most extended tests

have been made at Walla Walla, Wash. Among the varieties giving best results at this point may be mentioned sainfoin, Australian saltbush, blue grama, smooth brome, Oregon rescue grass, slender wheat grass, Japanese barnyard millet, Turkestan alfalfa, and some of the vetches. Most of these varieties show characteristics which will render them adaptable to the conditions which prevail over large portions of the great range regions of the West and Northwest. Thus, smooth brome has exhibited great vitality, surviving prolonged drought as well as extreme cold, and affording good returns of pasturage, hay, and seed under conditions that would destroy the ordinary grasses; the saltbush promises to be of much value on land strongly impregnated with alkali, and blue grama and the wheat grasses seem destined to become our most valuable means for reclaiming the many thousands of acres of range lands that have been all but ruined by protracted droughts and overstocking.

The work at Highmore, S. Dak., which is being carried on in cooperation with the State experiment station has for its object the testing of drought-resistant grass and forage crops, with a view to finding varieties suitable for the pastures, meadows, and ranges of the semiarid prairies east of the Rocky Mountains. Although but recently undertaken, the work is well in hand, and has already given results of practical value.

By means of these experiments we are learning that many of the native grasses adapt themselves readily to cultivation in our meadows and pastures, in some cases proving of more value than any of the introduced varieties yet tried. It is also being demonstrated that these native grasses are susceptible to improvement by careful cultivation and selection, and forms are being developed that give promise of much greater adaptability to farm conditions than the parent stocks.

There are many native leguminous forage plants, and some of these are also giving good results under cultivation. The Metcalfe bean of the table-lands of New Mexico is one of these. It not only does well in its native section, but has made excellent growth on the Pacific coast, and gives promise of being a valuable forage plant for the dry uplands of the West.

As in former years, most of the experimental work connected with the grass and forage plant investigations is carried on in cooperation with prominent farmers in various parts of the country, to whom seeds are sent for this purpose. During the year 1,600 packages of seeds, comprising 185 varieties of grasses and forage plants, have been distributed in this way. These seeds include choice varieties imported from foreign countries, in the hope that they will show special adaptability to the conditions which prevail here, and native sorts, collected by agents sent into the field to study the plants in their natural condition and to select those possessing characters of

particular value for cultivation. In this way it is being demonstrated that many of our recently introduced varieties are likely to have a wide range of usefulness, and that some of the commonly grown sorts deserve to be much more generally cultivated. Japanese barnyard millet is not only a most valuable crop for the New England States, but has given excellent results in many places in the South. Rescue grass has been grown in the South for many years, but many know little of its value as a winter forage or how to cultivate it. The legumes ought to be much more widely grown in the South, and will be when their great value, not only for food, but as restorers of nitrogen to impoverished soils, is more fully understood and appreciated.

GRASSES AS SAND AND SOIL BINDERS.

The large areas of drifting sands along the Atlantic, Pacific, and Gulf coasts and also about the Great Lakes and along some of our larger rivers, which, because of their unstable character, are a serious menace to life and property, could in many cases be reclaimed and converted into valuable pasture and meadow lands. The study of the grasses suitable for binding these sands has been extended along the Atlantic coast as far south as Florida, also to various points on the Pacific coast and along the Columbia River in Washington and Oregon. Several native sand binders of great promise have been discovered, and their utilization in a practical way has been undertaken. The seaside blue grass, a native of the sand dunes along the Oregon coast, where it grows abundantly, is said to be a good forage grass as well as an excellent sand binder, and has been successfully introduced along the sand dunes of Lake Michigan. The binding of drifting sands and embankments about fortifications along the coast is a serious problem which confronts the authorities of the War Department, and at their request some experiments have been made during the year on Tybee Island, at the mouth of the Savannah River. Here, as on the Pacific coast, one of the native grasses promises to be of greatest value.

THE GRASS COLLECTION.

Important additions have been made to the grass collection, including valuable material from abroad as well as from our own country. In all, 6,246 sheets of mounted specimens have been added to the herbarium and nearly 4,000 determinations have been made for correspondents.

PLANS FOR FUTURE WORK.

The great importance of the problems connected with the forage supply of our country—the close relation which it bears to the welfare and prosperity of the agricultural classes and the increase of public interest in grass and forage-plant investigations—make it imperative not only that the present lines of investigation should be continued,

but that new ones be undertaken. The investigations under way in the Gulf-coast region and on the Pacific slope ought to be extended in their scope; the work on range improvement should be continued along the present practical lines; the investigations looking toward the preservation and improvement of our most valuable native grasses and forage plants should be continued; the study of soil and sand-binding grasses ought to be extended to include experiments as to the adaptability of our native sorts to practical use for fixing the shifting sands of our coasts and for holding embankments in place, as well as to the introduction of desirable foreign sorts; investigations relative to the introduction, cultivation, and management of improved pasture and forage crops on the abandoned farms of New England should be undertaken; the question of forage crops suitable to alkali soils is one of much importance to certain sections of the country, and should receive full and careful investigation. There is no question as to the value and importance of investigations along all the lines indicated, and an increase in the appropriation for the Division is recommended in order to effectively carry on the work.

OFFICE OF EXPERIMENT STATIONS.

RELATIONS OF THE DEPARTMENT TO THE STATIONS.

The relations of the Department of Agriculture to the experiment stations of the several States become closer every year. An increased amount of assistance is given every year to the State experiment stations to enable them to carry out work of a national character. Cooperative work between the Department and the stations is gradually increasing. The Department is consulted oftener regarding the organization and management of the stations, the choice of officers, the lines of work to be undertaken, the execution of special work, plans for station buildings, materials and apparatus required for use in connection with the different kinds of agricultural investigations, etc.

The Department has been able to bring some influence to bear against the frequent change of station officials, which has been too common in certain States. At the same time no effort has been made to interfere with the independence of each as a State institution. The farmers of the States are appreciating the stations more and more, giving them attention, requiring better work, securing State funds, and interesting themselves in the management and supervision. This is having an excellent effect and resulting in better work for the communities in which they are located, all along the line.

NATIONAL AND STATE AID TO THE STATIONS.

The stations in all the States and Territories are visited regularly every year by officials of the Office of Experiment Stations, whose report is transmitted annually to Congress for the information of the national legislators. Where the experiment station is a part of the

agricultural college of the State the connection has a beneficial influence on the course of instruction, as the work of the station in the interest of the locality has a tendency to better instruct the officers of the college engaged in teaching. There is much need that the endowment of the Federal Government should be supplemented by the State in nearly every case, and many of the States are appropriating money to enable the stations to extend their work. The erection of buildings for the colleges has often been done for the purpose of increasing the facilities for experiment-station work.

The printing of station bulletins in a number of the States is regularly done at the public expense, while some of the stations are unable to publish the results of their experimental work for want of means for the purpose. Experimentation has been begun in Alaska with the aid of national funds. In each of the States of Alabama, Connecticut, New Jersey, and New York a separate station is maintained wholly or in part by State funds. The Louisiana experiment station, supported for a number of years by the sugar planters, is now under the management of the State. Every year the sum of $720,000 is paid to the several stations by the National Government, while nearly $500,000 is paid by the States, individuals, communities, and as fees for analyses of fertilizer, etc.

THE FUNDS OF THE STATIONS.

It has happened occasionally that boards of trustees have diverted experiment station funds to college purposes. The opinion of the Attorney-General of the United States has been had on this subject. According to this opinion, no portion of the funds appropriated by Congress in accordance with the terms of the act of March 2, 1887, can be used, either directly or indirectly, for paying the salaries or wages of professors, teachers, or other persons whose duties are confined to administration, teaching, or other work connected with the course of instruction given in the colleges with which stations are connected, or in any other educational institution, nor should any other expenses connected with the work or facilities for instruction in school or college courses be paid from said fund.

THE STATIONS CENTERS OF INFORMATION FOR LOCAL REQUIREMENTS.

In the development of methods of investigation and special apparatus the Department can now accomplish much more than any one of the stations. On the other hand, the stations are, to an increasing extent, becoming centers of information and authority on the lines of work in which they have been engaged with special reference to the local requirements of agriculture, and in some instances the stations, through the liberality of State governments or connection with strong colleges and universities, are in better position than the Department to carry on investigations requiring the knowledge and skill of experts or expensive forms of special apparatus.

By recognizing the authority of the stations in their several localities, securing the services of their expert officers, and the use of special facilities at their command, it is believed that the Department may oftentimes most economically expend the funds intrusted to it by Congress for special investigations, and can at the same time devote the energies of its officers more fully and effectively to the large enterprises for the promotion of the science and practice of agriculture.

THE EXHIBIT AT THE PARIS EXPOSITION.

An exhibit of the publications of the stations and of the Office of Experiment Stations, with photographs and charts showing the buildings and equipment of the stations, special features of their work, an illustrated report on the history of the stations, and a collection of special devices for station work, with illustrations of notable results by means of models and otherwise, will be made at the Paris Exposition. Investigations in Alaska, in nutrition, and in irrigation, in charge of the Department, will also be included in this exhibit. The materials for the exhibit will be largely furnished by the stations.

NEED OF STATIONS IN THE NEW POSSESSIONS.

There is a pressing necessity for the establishment of experiment stations in Puerto Rico, Hawaii, and the Philippines. The newer and more intimate relations existing between these islands and the United States, the responsibility assumed by the United States regarding them, and the necessity for giving to the peoples of those islands information regarding their staple crops, their development, and the insect and bacteriological pests to which they may be liable, suggest the necessity of scientific investigation of everything pertaining to production. These stations will be needed in our island possessions much more than they are needed in our States and Territories. Special investigations along these lines will not take the place of permanent experiment stations.

There is no method of informing the tiller of the soil so valuable to him as to have practical scientists studying the conditions of production in his neighborhood. There is thus provided not only an object lesson, but the foundation of a farm literature. A local station should be placed in each of the groups, on land belonging to the Government, with buildings and equipments for field and laboratory investigations, for careful surveying of the agricultural capabilities and requirements of the lands, cooperative experiments with interested farmers, the dissemination under frank of bulletins of original and compiled information, and the holding of farmers' meetings in different localities for the diffusion of practical information.

In general, there should be a systematic effort to disseminate useful information on agricultural subjects among the people and to gain

new knowledge which may be utilized for the benefit of the agriculture of those regions. Educational influences of this nature established among the peoples of the islands will not be the least potent influences in elevating them to higher intellectual levels. Fifteen thousand dollars could be wisely appropriated for Hawaii, $10,000 for the Philippines, and $5,000 for Puerto Rico. These stations for the present should be under the direction of the Secretary of Agriculture until such time as, under the benign influence of the United States, the people in the islands are thoroughly prepared to take charge of institutions of this kind and manage them for themselves.

INFORMATION REGARDING WORK OF THE STATIONS.

A series of Farmers' Bulletins, based on the work of the experiment stations, for the purpose of disseminating throughout the country information regarding the work of the stations, and thus to acquaint farmers in a general way with the progress of agricultural investigation, on its practical side, has been printed by the Office of Experiment Stations. The demand for this class of Farmers' Bulletins is growing very rapidly. The aim is to provide our farmers with a popular record of the progress of agricultural research.

WORK IN ALASKA.

Work is progressing in the establishment of an experiment station in Alaska. Prof. C. C. Georgeson, a thoroughly educated and practical experimenter, has been put in charge of the work. Headquarters for the present are established at Sitka, and a building is being erected there for the convenience of the scientists connected with the station work. Seeds have been distributed among different localities in Alaska, and measures instituted to obtain information regarding the crops, methods of cultivation, feeding of animals, and agricultural possibilities of the different regions.

Professor Georgeson is experimenting in the growing of different varieties of cereals, forage plants, flax, and vegetables in gardens placed at his disposal by citizens of Sitka. In spite of late planting, oats, barley, potatoes, flax, and a number of different kinds of vegetables of good quality were matured. Clover and grasses made an excellent growth. Useful data were also obtained from these experiments regarding the effect of different soil conditions on the germination of seeds and the growth of plants. Experiments similar to those being conducted at Sitka were made at Skagway.

Observations regarding soil temperatures are being made at Sitka and Skagway, and arrangements for similar observations will be made at other places. Samples of soil were collected at Sitka, at Kenai, and at Cooks Inlet, for which the moisture determinations were made under the direction of the chief of the Division of Soils in this

Department. Circulars of inquiry regarding the agricultural conditions in different parts of Alaska, including both the coast region and the interior, were sent out, and a number of replies were received and reported. A number of places on the coast region of Alaska have been visited and surveys and reservations of land for experimental purposes have been made at Sitka, Kadiak Island, Kenai, and Cooks Inlet.

Botanical investigations in Alaska under Dr. Evans, of the Office of Experiment Stations, have been carried on during the past year. A considerable number of specimens of the flora of the coast region were collected. Several species were found that may prove of considerable value as sand binders, for which there is great need in many localities of the United States.

Careful experimentation with grains grown in northern latitudes is being made. Efforts will be made by selection, and probably through the results obtained by crossbreeding, to find grains suitable for that territory. The effect of draining the soil is being tested, and the use of the silo for preserving stock feed is being demonstrated.

HUMAN NUTRITION.

Several bulletins on the subject of human nutrition have been issued by this Office during the past year. "The chemical composition of American food materials" (Bulletin 28, revised edition) contains the maximum, minimum, and average of 4,000 analyses of American food products, and gives a large number of analyses made since the first edition was issued. As a standard table of food analyses, it is, therefore, much more full and complete than any table which has preceded it. "Dietary studies in Chicago" (Bulletin 95), by W. O. Atwater and A. P. Bryan, contains a report on the food habits of fifty foreign and three American families in the congested west side of Chicago. "Fish as food" (Farmers' Bulletin 85) and "Sugar as food" (Farmers' Bulletin 93) contain a considerable amount of information derived from the reports on nutrition investigations mentioned elsewhere.

IRRIGATION INVESTIGATIONS.

BEGINNING OF THE WORK.

The first appropriation for irrigation investigations became available July 1, 1898. The literature of irrigation, especially that containing accounts of experimental inquiries, was collated and reviewed, and correspondence was had with experiment station officers, State engineers, and other experts who were devoting their energies to the study of irrigation problems in this country. A conference of station officers and engineers was held in Denver July 12 to 13, 1898, at which the needs of agriculture under irrigation were earnestly considered and

much valuable advice regarding plans for the work of this Office was obtained.

As a result of this preliminary inquiry, it was determined to limit the work of this Office under the appropriation to two general lines: First, the collation and publication of information regarding the laws and institutions of irrigated regions in their relation to agriculture; and, second, the publication of all available information regarding the use of irrigation waters in agriculture, as determined by actual experience of farmers and experimental investigators, and the encouragement of further investigations in this line by the experiment stations. Prof. Elwood Mead, State engineer of Wyoming, was asked to undertake the direct management of the investigations in charge of this Office. Two irrigation bulletins were completed within the fiscal year for which the appropriation was made. A report was also made to Congress on the usefulness of storage reservoirs as a part of the irrigation system. Thirty-five thousand dollars have been appropriated by Congress for the work of the present year, measures have been taken to organize the work on a more permanent basis, and an expert force with sufficient clerical assistance has been formed. The subjects requiring investigation are numerous. The conditions and needs of different localities vary, and the demand on the part of the people for more immediate information in so many lines is so urgent that much attention will have to be given to the selection of lines of work to be undertaken.

NEED OF EXPERTS.

One great difficulty is to find an adequate number of men who have had proper training to fit them to prepare publications or carry on investigations in the manner which our work requires. As a rule, the men who are best fitted for this work are engaged in other enterprises and can not be induced to enter the Department's service on the terms necessarily imposed. In this, as in other special lines of investigation which the Department has undertaken, it will be necessary to organize a force to work under the immediate direction of the expert in charge, and some time must elapse before this force can be thoroughly trained so as to perform the most efficient service. Considerable effort has been made to ascertain who are available candidates for positions in this service. The establishment of agricultural colleges for education in the sciences relating to agriculture has done something toward preparing scientists in several directions, but there are many lines in which very little has been done, and this is one of them.

When the Department requires soil physicists, plant pathologists, or scientists well informed regarding animal husbandry and irrigation, it has been found almost impossible to get them. The Western agricultural colleges, where scientific knowledge of the facts concerning

irrigation is most imperatively necessary, are making vigorous efforts to educate along these lines. The boards of management of the stations have been led to see the importance of the work in irrigation which the Department has undertaken, and are moving in the direction of the employment of a large number of competent investigators who can work in cooperation with the Department. There must be a period in which the training of experts, both by the Department and the experiment stations, will be the most important features.

REASONS FOR A GENERAL STUDY OF THE SUBJECT.

The need of an impartial and thorough study of water rights and the laws and methods of enforcing them is so urgent that the Department has been under continuous pressure from the people of the arid States to devote all the funds for irrigation investigations to this branch of the subject. The immense area embraced in the irrigated regions, the wide difference between the laws and methods of the different States, and the complexity and number of the problems to be considered have required the expenditure of a great deal of time and thought in the organization of this investigation. It is the intention, if sufficient provision is made, to include all the arid and semiarid States in this study during the coming year. In each of these States the law and methods differ widely. Even where conditions are of a similar nature, titles to water and methods of distribution are wholly unlike.

There is a second reason for making the investigation general. Many most important rivers are interstate streams. Some of them are used for irrigation in half a dozen different States. The water rights of these several States deal with a common supply. They vary so widely in their character that there must sooner or later come a time when their differences must be reconciled, or at least be brought to the attention of the Federal Government, and become a subject of legislation by Congress. It is of the utmost importance that before either of these things occurs there should be a thorough understanding of the character of the rights which are vested under these laws and of the disturbances which will ensue if a uniform or interstate system of water rights should be put in force. It is only through the collection and publication of these facts that either the several States or Congress can intelligently determine whether or not the control of rivers used in irrigation should be left exclusively to the States, as is done at present, or whether the present practice should be overturned and the streams be divided under the operation of federal laws and under the control of federal officials.

Measurements of the actual volume of water used in irrigation and the time of such use are being carried on in fifteen States and Territories. An approximate knowledge of the quantity of water required to irrigate an acre of land growing any given crop is sooner or later a

necessity in any irrigated district. Farmers, canal builders, water commissioners, State lawmakers, and Congress all need this information in the making of water contracts, the planning of works, and the determination and protection of rights in streams. Without it all these important transactions are largely based on conjecture. The mistakes to which this gives rise are a serious obstacle to the conservation of the water supply and its orderly division.

It is the purpose of this investigation to begin the collection of this information, but in order that it may have general acceptance and value the facts secured must embrace a wide range of conditions and crops and be continued through a series of years, in order that accidental variations of seasons may be eliminated. Before the investigation is ended it is expected that it will embrace a study of more economical methods and a determination of the extent to which the reclaimed area can be extended thereby; but at the outset it is desired to ascertain what is the common practice of irrigators.

The method of measurement adopted had to take into consideration the fact that the demands of crops are not the same during different seasons of the year, nor is the supply uniform. Streams rise and fall. The adoption of any device for delivering a uniform flow would not, therefore, meet the demands of either the users of water or the character of the supply. What has been done has been to provide for keeping a constant record of the amount used, without any regard to the intentional variations in use or the accidental changes in the supply. To do this it has been arranged to measure the depth of water passing over a weir or flowing through a flume, and from this record to compute the amount of water used.

One object of the studies on the duty of water is to secure greater economy in its use, the reclamation of an increased area, and a larger yield of crops through its more skillful application. Something more is necessary than measurement of the quantity employed. The factors which tend to produce a high or low duty must also be studied. These include the amount of rainfall, records of temperature, rate of evaporation, character of soil, losses in transportation in canals, the merits of different methods of distributing water over the land, and the influence which is exerted by the character of private water-right contracts for delivering water or of State laws governing titles thereto.

Before we can rightly estimate the value of reservoirs we must know not only the amount of water required by different crops, but the time when such water is needed. The purpose of reservoirs is to bring fluctuations in stream flow into harmony with the variations in the demands of crops. A dependence on the natural flow of many Western rivers permits of only a small fraction of their natural discharge being utilized, because the waters run to waste before or after they are needed. We must know when the water is needed, and how

much is needed in different months of the year, before we can rightly estimate how much must be stored in order to utilize the entire supply.

The character of water-right contracts has much to do with the economy or waste which prevails in irrigation. Many of these contracts have been prepared by people having little practical knowledge of the subject. Among the classes of contracts which have been productive of either discontent or abuses are, first, perpetual water rights. Under these contracts the user pays a certain amount per acre for all the land on the canal, whether he irrigates it or not. These contracts usually specify a certain duty which has been fixed before the needs of the lands or the crops to be cultivated were known. Sometimes this duty is so low as to be a direct incentive to waste; in others, so high as to be manifestly one-sided and unfair.

A second class of contracts comprises those for the delivery of the water used at a specified rate per acre, without regard to the economy or waste of the irrigator. These contracts lead to controversies, because of the temptation on the part of the irrigator to use all he can, regardless of his necessities, since in that way he gets more for his money; while on the part of the canal owner the temptation is to agree to provide water for as many acres as he can without regard to his ability. The objections to these two classes of contracts are leading to the evolution of a new system in which payment is made for the quantity of water used.

The usefulness of this investigation is not limited to the arid region. On the contrary, there is no question but that irrigation can be profitably employed in the cultivation of large areas in the Eastern and Southern States. A hundred thousand acres of sugar land are being irrigated in Louisiana. Irrigation of the rice fields in the Carolinas is very extensive. The market gardener could profitably use irrigating waters. Irrigation is being experimented with in the growing of tea in South Carolina. Prof. E. B. Voorhees, of the New Jersey Agricultural Experiment Station, is collecting data on the area of land now irrigated in that State, the methods employed, the duty of water obtained, and the benefits received.

Many of the valleys of the mountain States are being injured seriously by the injudicious use of water. Wherever the soil contains alkali, it is being brought to the surface when too much water is applied, and the land thereby rendered infertile.

More than one-third of the country depends upon the success of irrigation to maintain the people, the industries, and the political institutions of that area, and future growth will also be measured by the increase of the reclaimed area. In a region which, in the extent and diversity of its mineral wealth, has no equal on the globe, the riches of the mines in the hills are already surpassed by the productions of the irrigated farms in the valleys, and the nation at large

is at last awakening to the fact that the development of the use of the rivers and arid lands of the West will constitute one of the most important epochs in our increase in population and material wealth.

It is not possible at the present time for the owner of an irrigated farm to know exactly what his right is. The nation has made no provision for the distribution of either the natural flow of the streams or the stored water. The States vary greatly in their enactments regarding the use of water. If the control of this element of production is to be left to the States, there should be a definite declaration to that effect. If it is to be assumed by the General Government, it should be done at once.

OFFICE OF PUBLIC ROAD INQUIRIES.

INQUIRIES REGARDING ROAD-MAKING MATERIAL, ETC.

Something has been done during the past year by the Office of Public Road Inquiries to ascertain what can be accomplished in making roads by the use of the material found in the several States. Cooperation has been had with the experiment stations of several States in making steel roads, macadamized roads, and gravel roads. The people of all the States are very much interested in the improvement of their public highways. There is a great demand upon the Department of Agriculture for assistance in road making, in addressing the students at our agricultural colleges, and in giving instruction regarding the best methods of using what material may be found convenient. Publications have been sent out from the Department covering the several features of road making, and for these there is great demand. Much attention is being given to this subject by the legislatures of the several States of the Union.

I am of the opinion that it would be wise to have the resources of the Eastern, Southern, Middle, and Western States carefully inquired into by the appointment of competent men in each of these sections who would ascertain and report upon the road-making material obtainable, and at the same time give instruction in the actual construction of roads. There is also a necessity for scientific inquiry into the composition of road material in the several sections of our country, and the facility with which these materials when brought together combine to make good highways. Many sections of our country have within reach hard rock from which good roads can be made. Other sections are entirely lacking in this regard, and must, in my opinion, eventually look to steel tracks for supplying permanent good roads.

In order to get information along these lines, short sections of steel track were laid during the past year at Omaha, Nebr., Ames, Iowa, and St. Anthony Park, Minn. The Western States are not well supplied with stone and gravel for road-making purposes, and the people of these States are watching these experiments with great interest.

It is our intention to encourage the laying down of steel-track sections during the coming year wherever we can induce the localities to purchase the steel. We do not yet know what is the best shape for the steel rail, nor do we know the best material to lay between the tracks, but inquiry is being made along these lines and information is being gathered from experience.

The people of the United States have associated themselves into national and State organizations for the purpose of encouraging the building of better roads and for the consideration of ways and means to that end. There is a great deal of agitation and considerable education along road-making lines. The people of many localities are exceedingly anxious to have the cooperation of the Department in improving their roads, and demands of this kind are so numerous that our limited force is entirely inadequate to give the assistance required. The object-lesson road work of the year has been as extensive in territory covered as it has been far-reaching in results accomplished. Model roads of various kinds have been built, under the supervision of agents of the Office of Public Road Inquiries, in Maryland, Nebraska, Minnesota, Iowa, Kentucky, Indiana, and Wisconsin. Elementary knowledge of road making is being rapidly spread among the people. Students at our colleges are taking a great interest in the study of road making. Gentlemen of means, enterprise, and public spirit are doing much along experimental lines for the education of their neighbors.

PRINCIPAL INQUIRIES OF THE YEAR.

The principal inquiries during the year were upon the following subjects: New road legislation, especially as regards State aid; the use of convict labor in road building or in the preparation of road material; experiments with steel roads and other new plans; methods of raising road funds; conditions of new roads under wear, especially the sample roads designed by officers of the Office of Public Road Inquiries; the promotion of rural free delivery of mails by good roads; the progress of organizations for road improvement; the prospects for road construction in several localities. The invention of road graders for use in the great productive prairies of the West has simplified the construction of roads more than any other one feature of progress. The value of these graders in making roads by horsepower is not well understood in all parts of the United States.

RECOMMENDATION.

The great activity on this line among the people of the United States during this fall, and the necessity of getting facts for use in the several localities of our country, induce me to recommend that Congress increase the appropriations of this Office sufficiently to justify the appointment of four experts, so that information can be

gathered regarding valuable road material and cooperation be had with experiment stations, colleges, and universities, and with the men of enterprise who are now actively seeking such information and such assistance.

DIVISION OF PUBLICATIONS.

NUMBER AND COST OF PUBLICATIONS.

During the year 603 different publications were issued, aggregating 26,420 pages of printed matter, and the total number of copies was 7,075,975, greatly exceeding the work of any previous year. Of this number, 176 were Farmers' Bulletins, of which 2,437,000 copies were printed and distributed. The cost of printing these publications was $91,966.59, and of blanks, blank books, etc., $36,624.93, making the amount expended for this purpose $128,591.52. There was paid for artists and illustrations, labor and materials in connection with the distribution of documents, and for artists' supplies, $29,836.55, making the total expenditures under the supervision of the Division of Publications, exclusive of the amount appropriated for statutory salaries, $158,428.07.

In this connection, it may be said that the care and prudence which have characterized the management of the Department printing are strikingly manifested by a comparison of the number and cost of the publications since the period when the Division was first established. In 1891, the first year when the Division was fairly organized, there was expended for actual printing 59.8 per cent of the total appropriation for that year, while 40.2 per cent was expended for editing, illustrating, and distributing, whereas in 1899 of the total appropriation for printing only 27.1 per cent was absorbed for editing, illustrating, and distributing, leaving 72.9 per cent available for actual printing. Thus, in 1891, when the total appropriation was $87,600, the number of copies of publications printed was 2,348,447, while in 1899, with total appropriations of $185,260, the number of copies of all publications printed was 7,075,975, showing a proportionate excess of at least 2,000,000 copies in the actual output of printed matter in 1899 over 1891.

FARMERS' BULLETINS.

Of the total number of copies of Farmers' Bulletins printed (2,437,000), Senators, Representatives, and Delegates in Congress took 1,101,985—considerably less than last year and the year previous. Under the law, when Senators, Representatives, and Delegates do not avail themselves of the entire number of Farmers' Bulletins allotted to them, the same revert to the Department for miscellaneous distribution or for satisfying further Congressional orders. I am therefore able, for the current year, to increase the quota of Farmers'

Bulletins allotted to Members of Congress from 4,000 to 5,000 copies. During the year 22 new Farmers' Bulletins were issued and 154 of those heretofore published were reprinted. Most of the bulletins of this series are of permanent value, and are therefore suitable for continuous distribution. It is my intention to still further increase this series by adding to it bulletins upon such subjects as the people seem to require information, and to give the same the widest possible distribution. The total number of Farmers' Bulletins issued since the series was inaugurated up to the close of the fiscal year ending June 30, 1899, was just 100, and the total number of copies printed was 11,270,500, of which Senators, Representatives, and Delegates in Congress have received and distributed 6,851,752.

MISCELLANEOUS PUBLICATIONS.

Of publications other than Farmers' Bulletins, 427 were prepared in the various Bureaus, Divisions, and Offices of the Department. As usual, these bulletins, many of them scientific or technical in character, have been distributed as judiciously as possible, the effort being to place them in the hands of those only to whom they will be of special interest and value, and to prevent waste or duplication. I regret that under the law the editions of some of the most valuable of these bulletins are restricted to 1,000 copies, so that the important information they contain can not be given the wide dissemination it should receive. It is earnestly hoped that this unwise restriction may be speedily removed, so that there may be no obstacle to the distribution of publications for which an urgent demand exists. It is interesting to note in this connection that during the year the Superintendent of Documents sold 18,750 copies of the publications of this Department, which had been turned over to him under the law, constituting 70 per cent of all the public documents disposed of by him during that time, thus indicating that there is a considerable number of persons to whom the small price affixed by the Public Printer is no obstacle to obtaining publications in which they are interested.

THE YEARBOOK FOR 1899.

The Yearbook for 1899 is now in course of preparation and is modeled in accordance with the plan suggested in my last report. It will contain a résumé of the achievements in the United States in every branch of science related to agriculture during the nineteenth century, and it is hoped that Congress will see the propriety of ordering an extra number, say 20,000, for distribution at the Paris Exposition in 1900. In connection with our agricultural exhibit, the distribution of special-bound copies of this publication would serve the useful purpose of acquainting foreign countries with the achievements in agriculture in the United States.

AN EVIDENCE OF THE DEPARTMENT'S USEFULNESS.

This steady and rapid growth in the publication work is a most gratifying indication of the success of the Department in fulfilling that section of the organic law creating it which makes it an essential part of its duty to diffuse information among the people on subjects relating to agriculture. Brief, popular pamphlets continue to afford the most acceptable means of widely disseminating the results of the Department's investigations, while the scientific and technical publications, still considered as standard works of reference and authority by scientists both in this country and abroad, are accorded their deserved prominence in libraries and institutions of learning. The people have a right to look to this Department as the highest authority on every subject connected with agriculture, and the number of publications issued which are designed to supply the information requested, as well as the very wide distribution given to them, is a most satisfactory indication that the Department is occupying the place intended for it in the machinery of the General Government.

THE LIBRARY.

GROWTH OF THE LIBRARY.

Additions to the Library during the past year have numbered about 4,000 volumes, including some very rare works and scarce sets of periodicals. The periodical list of the Library is growing very fast, owing to the efforts made to increase our exchange lists with publishing scientists and the officials of various countries. There are currently received by the Library at the present time nearly 2,500 periodical publications, more than 1,800 being obtained by way of exchange and gift. The care of this mass of literature is becoming a more and more serious problem in the limited room at the disposal of the Library.

CATALOGUES.

The card catalogue during the four and a half years since its inception has grown enormously. There are now more than 50,000 cards in the catalogue, covering, in author and subject entries, more than two-thirds of the books in the Library. The publication of a catalogue of books on forestry has shown that the collection on this subject is extremely full, having undoubtedly more than three times the extent of any other similar collection in this country. Catalogues of the books on botany and chemistry are well advanced and will probably be published before the end of next year. There is also in progress a complete author and subject catalogue of the publications of the Department of Agriculture since 1839, with such analytical entries as will bring out the subjects of separate papers in publications like the Yearbook and the Farmers' Bulletins.

DEMAND FOR THE PUBLICATIONS OF THE DEPARTMENT.

The demand for the publications of the Department is increasing at home and abroad very rapidly. They are attracting great attention among the learned men of foreign countries. We receive in exchange for them a large proportion of the valuable agricultural publications of all countries, and every attempt is made by correspondence to increase the material obtained in this way.

DIVISION OF ACCOUNTS AND DISBURSEMENTS.

For the fiscal year ended June 30, 1899, Congress appropriated for the Department of Agriculture $2,829,702. By the same act $720,000 was provided for the 18 agricultural experiment stations. The total expenditures for the year amounted to $2,797,173.49. The unexpended balances were covered into the Treasury.

SECTION OF FOREIGN MARKETS.

INQUIRIES REGARDING FOREIGN TRADE.

Our heavy foreign trade within late years has attracted much attention, both at home and abroad. Numerous inquiries have been received regarding the commercial opportunities offered by the former Spanish possessions. No authority has been given to this Department to get exact information regarding trade facilities in Puerto Rico, Cuba, and the Philippine Islands. The Section of Foreign Markets, has, however, collated and published everything available regarding the trade of those islands. Frequent inquiry comes regarding trade in China and Russia, which seem to offer great commercial possibilities in the immediate future. There is a dearth of reliable information regarding both these countries.

REPORT ON THE TRADE OF THE PHILIPPINE ISLANDS.

The report by this Section on the trade of the Philippine Islands required an unusual amount of research. It was found that the statistics from Spanish sources were meager and gave a very inadequate idea of the commerce that belonged to these islands. The Section has also printed a report dealing with the agricultural resources of the islands, especially plant products, to meet the great demand for information on this subject. The report contained a general description of the most important Philippine cereals, vegetables, roots, fibers, dye plants, etc., supplemented by statistics of production, price, and exportation.

AGRICULTURAL EXPORTS AND IMPORTS.

The record for 1898 shows that our agricultural exports were decidedly the largest in the history of the country. Their total value reached $858,507,942. Among the exports that showed the largest

gains were wheat and wheat flour, corn, oats, rye, bacon, lard, hams, cotton-seed oil, and oil cake. It was found that there was a falling off in the agricultural imports, the total value being $314,291,769, which was $86,579,672 less than the year previous. The decline in agricultural imports for 1898 amounted to 22 per cent. Sugar and wool were the principal factors that marked this falling off.

STUDY OF DANISH IMPORTS FROM THE UNITED STATES.

A study of Danish imports from the United States shows that that country was importing in considerable quantities some of the articles that enter most extensively into its export trade—butter and bacon, for example. The Danes, having established a profitable market for butter and bacon abroad, sell their own and buy from us. It is not well established, however, that they do not import American farm products for reexport under local names. We know that American bacon is heavily imported into Ireland and sold in England as Irish bacon. We have also information from agents abroad that the thrifty people of that country (Ireland) import well-bred American horses and sell them to the English, in many cases, as Irish hunters.

American wheat flour is competing in Denmark with the home product. During the fiscal year 1898 our shipments of this article to Denmark amounted to 61,019 barrels, more than 20,000 barrels in excess of the largest shipments previously sent. The Danish bakers find that the American flour is as good as the best Hungarian, although less expensive, and it is being generally substituted for the latter. The milling industry of Denmark is declining. Every indication points to an increase in the amount of flour imported from the United States.

The American farmer is furnishing cow feed to the Danes. They imported 16,874,943 bushels of indian corn in 1898. This, in addition to the more nitrogenous mill feeds imported, enables the Danish farmers to supply the British markets with some thirty-three million dollars' worth of dairy products every year. The growth of the dairy industry in the United States indicates that before many years the American farmer will feed his cow feed at home and sell the product of his skill in foreign markets. The Danes bought 55,958,939 pounds of oil cake from the United States in 1897, and in 1898 they bought 155,121,048 pounds. The American farmer can not afford to export the nitrogenous by-products of the mills, as the soil that grows them is regularly reduced by taking them from the farm.

In this connection, it may be interesting to state that butter made in Denmark from these American imports is peculiarly well adapted to the markets of tropical countries. The butter has a higher melting point than butter made from the wider carbonaceous ration generally used in the United States. We raise linseed in the United States to get the oil with which to make paint for our buildings, but

have not learned that the nitrogenous by-product is of the first importance in feeding live stock, especially the dairy cow. We are also shipping considerable quantities of bran, and the trade is growing in these nitrogenous exports.

The Danish farmer is enabled to furnish the markets with the finest possible product, and at the same time maintain the fertility of his acres. The Danes are reclaiming waste lands through the use of fertilizers resulting from the purchase of our nitrogenous by-products. We are reducing our lands to sterility by selling these products. It is the duty of this Department to assist the farmers of the United States to find markets for all their surplus products. It is also our duty to warn them of the consequences of exporting stock feed to foreign countries. The Danes have developed a heavy export trade in some of the products of the farm, and the secret of their success lies in the great pains they take to cater to the particular requirements of the foreign consumer and the care they exercise to maintain the uniform high standard of their products.

Not only is every precaution taken to prevent the exportation of inferior or damaged articles, but sufficient attention is always devoted to the packing and methods of shipment to insure arrival in good condition of the articles exported. We exercise no supervision over the shipments of American dairy products. The foreign buyer can depend upon the character of the consignments received from the Danes, but unscrupulous traders in the United States devote their utmost energies to imitations of our best dairy products. Some years ago we had an excellent market in Great Britain for our cheese, whereupon a spurious article was exported that destroyed the good name of American cheese. This is being done now with regard to American butter.

Copenhagen is the natural distributing center for the trade of the Baltic Sea, and it has established a free port for the transshipment of merchandise billed to other destinations. The amount of American merchandise distributed through the Baltic region is increasing very rapidly. During the fiscal year 1898 our direct shipments to these Scandinavian countries amounted in value to more than $25,000,000. Although agricultural products form a large part of this item and show a material gain for the past decade, the principal increase has occurred in our shipments of manufactured wares, such as machinery, tools, utensils, etc.

Ten years ago the annual value of the exports of manufactured articles from the United States to the Baltic countries did not exceed $3,000,000. It now amounts to $10,000,000. Meanwhile the annual value of our agricultural exports to the same region has risen from less than $10,000,000 at the beginning of the decade to about $15,000,000 at its close. As long as the United States produces the cheapest cow feed in the world for export, the market for agricultural products will

grow in the Baltic countries. Our best opportunity in this region, however, lies in the development of a wider demand for our manufactures, of which the prospect is excellent. Transshipment at Copenhagen for other Baltic ports is a blunder on our part. American ships should take goods to their destination under the American flag in all parts of the world.

WORK OF THE SECTION IN FURNISHING INFORMATION.

One of the most useful features of the work performed by the Section of Foreign Markets is the furnishing of information to American citizens all over the country regarding these lines of industry. These inquiries are very extensive. Pamphlets have been prepared, and others will be, covering the information in most general demand, and at a time when the products of our fields and factories are so much beyond the requirements of home markets, the work of this Section is peculiarly valuable.

BUREAU OF ANIMAL INDUSTRY.

NUMBER OF ANIMAL INSPECTIONS AND COST.

The report of the chief of the Bureau of Animal Industry for the last year shows that the work carried on by the Bureau is increasing rapidly from year to year, and is becoming more and more an important factor in the economy of animal production and in the exportation of animal products. Meat inspection was conducted during the last year at 138 abattoirs in forty-one cities. The total number of antemortem inspections of animals was 53,223,176, of which 34,405,973 were for official abattoirs and 18,817,203 for abattoirs in other cities and for miscellaneous buyers. The number rejected upon this examination was 156,539. The growth of this feature of the work is shown by the fact that in 1892 the total antemortem inspections for official abattoirs was only 3,809,459. The total number of postmortem inspections was 34,163,155. The cost of this inspection was $465,709.23. The cost per head on antemortem inspection was 0.88 cent; in 1892 the cost per head was 4.75 cents, and only once was it less (0.8 cent).

The number of hog carcasses examined microscopically was 2,227,740. Of this number, 2,160,230 were free from all appearance of trichinæ and 25,913 contained only trichinæ-like bodies, while 41,597, or 1.87 per cent, contained living trichinæ. The exports of this pork to countries requiring inspection amounted to 108,928,195 pounds, while only 70,046 pounds went to countries not requiring inspection. The cost of this work was $198,355.14, or 8.9 cents for each carcass, and 0.182 cent for each pound exported.

There were inspected for export 136,595 American and 67,688 Canadian animals. The number of inspections of vessels for carrying

export animals was 852. Of the cattle exported to Great Britain, the losses were but 0.31 per cent; of sheep, 1.54 per cent; of horses, 1.11 per cent.

The expense of inspection of animals for export, the supervision of the movement of Southern cattle, and the inspection of animals imported from Mexico amounted to $107,023.31. It is estimated that the cost per head of inspecting cattle and sheep for export averaged 13 cents. During the quarantine season of 1898 there were unloaded at stock yards north of the infected area 911,455 quarantine cattle, and there were inspected in the noninfected area of Texas 236,369 cattle for shipment into other States for grazing. The imports from Mexico requiring inspection at the boundary line were 79,908 cattle, 1,254 sheep, 64 hogs, and 121 goats. The imports from Canada, not subject to quarantine, were 90,468 cattle, 172,985 sheep, and 1,769 horses. Some of these were for breeding, but the large majority were for feeding purposes. The total number of animals received at the ports of import was 2,463.

All of this work was done to prevent the spread of disease among the animals of the United States, to protect consumers from diseased meats, to secure the arrival of our animal products in foreign markets in good condition, and to maintain the reputation of those products at home and abroad.

LOSS FROM BLACKLEG.

According to the latest report, it is estimated that the annual loss of cattle from the disease known as blackleg, or symptomatic anthrax, in the districts principally affected has ranged from 5 to 35 per cent. The Bureau of Animal Industry has been for some time distributing a vaccine for the prevention of this disease, and this, it is estimated, has reduced the loss to 0.54 per cent among the animals treated. As it is known that a large percentage of this loss was due to careless operators, it is believed that with more care in the use of the vaccine future investigations will show a still further reduction. Vaccine is still being sent out, and during the fiscal year 545,289 doses were distributed. The indications are that the contagion gradually dies out where systematic inoculations are practiced, and it was with the hope of eradicating the disease from many sections that the preparation of vaccine was undertaken.

TEXAS-FEVER INVESTIGATIONS.

The experiments of the Bureau demonstrated that Northern cattle might be made immune from Texas fever by inoculating them with the blood of immune animals. This has recently been adopted and practiced with most satisfactory results by some of the experiment stations. The practical application of this discovery is of great

importance both to the breeders of improved stock in the more Northern States and to the cattle raisers of the infected district, as it permits the improvement of Southern herds without the discouraging losses that have heretofore always occurred.

Experiments have been continued with a view of obtaining a mixture in which cattle from the Texas fever districts may be dipped for the destruction of the ticks which spread the disease, and which at the same time will not injure the cattle. This effort has not been entirely successful, but the progress of the work heretofore leads to the hope that such a mixture may be found. The difficulty in finding such a mixture is plain to those who know how tenacious of life is the tick which is the carrier of this disease.

Investigations in Puerto Rico show that the cattle tick is prevalent there, but the ticks which were brought from there and placed on cattle in the United States failed to produce Texas fever. Whether this result was accidental or whether these ticks are without infectious properties is a question of great importance. If further investigations show that the Puerto Rican tick is free from the Pyrosoma, the true contagion of the disease, and that the cattle of Puerto Rico are susceptible, the introduction of a single animal bearing the Pyrosoma might convert these comparatively harmless parasites into the most deadly scourges of the bovine race. This subject will receive further attention during the current year.

TREATMENT FOR HOG CHOLERA.

The preparation of serum for treating hog cholera and swine plague has been on a very much larger scale than last year, and the results are exceedingly satisfactory. The diseased herds in four counties of Iowa have been under treatment, the results showing a saving of from 75 to 80 per cent of the animals injected, though the final reports are not all received at this writing. It is evident, however, that this method of treatment is far in advance of any other heretofore tried.

SHEEP SCAB.

For many years the parasitic disease of sheep popularly called scab has been quite prevalent, especially among the flocks of some of the Western States and Territories. Diseased sheep have been shipped from one State to another in violation of the law, and the stock yards and stock cars have been almost continually infected. The result of this condition has been that sheep could not be purchased for feeding purposes in any of the markets of the country without danger of bringing to the farm with them the contagion of this disease.

Sheep scab has been one of the greatest evils which the sheep industry has had to contend with. Not only does it always damage and often destroy the fleece, but it reduces the strength and condition of

the affected animals so much that they fall an easy prey to internal parasites or succumb to unfavorable conditions of food and surroundings. Congress has specifically referred to this disease in the appropriation act as one of the diseases which the Department is authorized to control by sanitary regulations.

The first step taken by the Department looking to the limitation and control of this disease was the issuance of a circular letter notifying transportation companies and shippers of the existence of the contagion, and pointing out the prohibition of shipment and the penalty provided by law. Subsequent to this an order was issued that diseased sheep discovered by the inspectors in the channels of interstate commerce should be detained and dipped before going on to destination; also, that sheep purchased in infected yards for feeding should be dipped before they were allowed to go to farms. The effect of these orders was to protect the purchasers of store sheep and to lessen the number of diseased animals sent to market. It was found, however, that some of the dips used by the stock yards, companies, and owners of sheep were not efficacious under the conditions which obtain in this service, and that others were so severe or poisonous as to be dangerous. An order has, consequently, been issued specifying the kinds of dips which would be recognized and the manner in which these should be prepared and applied.

The effect of these measures has been extremely satisfactory, and the number of diseased shipments received at the principal stock yards have been very materially decreased. This has been accomplished without putting the shippers of healthy sheep to any inconvenience or expense unless the animals were going to farms from infected stock yards. The inconvenience of detention and the expense of dipping have had an excellent effect in lessening the number of diseased sheep sent to market, and has led to active efforts everywhere to cure them on the farm or ranch before shipping. The indications are at this writing that it will soon be possible to make the stock cars, the central stock yards, and other channels of interstate commerce safe and free from infection, in which case store sheep could be purchased in the markets without danger of infection, and only diseased sheep would come under the restrictions.

EXPERIMENTAL EXPORTS OF DAIRY PRODUCTS.

The experimental exports of dairy products made during the last two years and now in progress under special provision of law have produced marked results. But these are not satisfactory in all respects and the reputation gained needs to be protected by authority from Congress for some system of export inspection. The new markets opening for our dairy products require a guaranty of the purity and quality of butter and cheese sent from the United States, such as is given by other Governments, and especially Canada.

Not long ago this country supplied and practically controlled the cheese market of Great Britain. In some years we sent to England nearly 150,000,000 pounds, or two-thirds of our entire cheese product. But as no system of export inspection existed to guard the established reputation, unscrupulous merchants exported great quantities of inferior, adulterated, and counterfeit cheese, until the reputation of States cheese was destroyed in England, and that market lost to us. Canada, on the other hand, adopted a system of government control, was enabled to guarantee all cheese exported as pure and of standard quality, and thus secured, and still holds, the desirable British cheese trade which this country lost. We have recovered a little, but only a little, of the lost ground. The best cheese now exported from this country goes through Montreal, seeking the same avenues and the good company of Canadian cheese, finding a market virtually as a part of that product.

The same unfortunate result seems likely to follow the efforts to export fine creamery butter to Great Britain unless measures are promptly taken to avoid it. An active demand has arisen for this butter especially in the northern counties of England, supplied from Manchester, largely through the experimental efforts of this Department. During the summer of 1899 an exceptional scarcity of European butter caused very high prices, and British merchants sent large orders to New York. In the month of August our butter exports were six times as great as for the same month a year ago. This new and profitable demand for fine creamery butter had scarcely begun, however, before large quantities of an inferior article and also of imitation creamery, "process," or renovated butter, began to appear among the exports.

This article, which is a more dangerous and damaging counterfeit of fresh creamery butter than straight oleomargarine, was sent to New York by the carload for export. In at least one instance parties had renovated butter put up in the West, in the style of package adopted by this Department in its recent export trials to England, and this went abroad labeled "Finest American creamery butter." The effect of this upon future butter trade with Great Britain will probably be like that which followed the export of so much unidentified filled cheese. Already English merchants, who have been trying to introduce States creamery butter among their customers, have written to this Department complaining of the deception practiced upon them.

Out of six large lots of butter received by one firm at Manchester from the United States, all represented as "extra creamery" goods, five were rejected as being far inferior to the quality represented—apparently only poor imitations. Meanwhile Canada is forging ahead, with government supervision and guaranty to assist, and

securing for its creamery butter a firm hold in the British markets. The lack of some protection by Government certification of exports from this country is already causing butter shipments by way of Canada, as in the case of cheese, previously mentioned. British merchants state that some of the best States creamery butter they have lately seen (as shown by makers' marks) has been among lots received from Canada.

I recommend, as a simple and effective remedy for these growing evils and obstacles in our export trade, that the existing system of Government inspection and certification of meats and meat products for export be extended by law so as to include butter, cheese, and condensed milk and cream. With slight modifications the organized force and regulations which now give protection and standing to our meat exports may be made to cover the new work proposed. The services of an inspector who is an expert in butter and cheese would be necessary for parts of the year at three or four exporting points; but until these exports increase New York would be the only place at which such an inspector would have to be continuously employed.

If such inspection and certification is authorized by Congress, the pure and unadulterated dairy products of the United States that are of a quality entitling them to official indorsement can be given a position in foreign markets which they can not otherwise secure, and which will enable them to compete successfully with like products from any other country.

This inspection of dairy products for export has been indorsed by nearly all the national and State dairy organizations in this country and has met with decided approval by commercial bodies and by individual exporters wherever it has been duly considered.

DIVISION OF STATISTICS.

INVESTIGATIONS DURING THE YEAR.

The condition of the agricultural industry, as indicated by the area of land devoted to the cultivation of the principal products of the soil; the actual volume of production and the value of particular crops, both on the farm and in the principal markets; the cost of production per acre and per unit of quantity and the cost of transportation; the number and value of farm animals and the losses annually resulting from disease and exposure; the volume, condition, and prospects, according to the season of the year, of such of the crops of foreign countries as compete with those of the United States in the world's markets, have constituted the field of investigation in which this Division has been engaged during the past year.

STATISTICAL REPORT.

Of the regular periodical reports of the Division there has been printed a total of 1,621,700 copies. These reports cover that general work of the Division which is continuous in its operation and which has constituted for a generation or more the only source of information available to the farmer that has been comprehensive, prompt, and unbiased.

THE CROP-REPORTING SYSTEM.

No change of essential or far-reaching importance has been made during the year in the methods of collecting agricultural statistics, but there is a marked improvement in all the different agencies employed, the monthly reports being more complete, giving evidence of greater care in their preparation, and generally displaying a more intelligent conception of the requirements of the Department on the part of its correspondents.

At the end of the fiscal year the organization included 41 salaried State statistical agents with 8,730 correspondents, upon whose reports their monthly statements were mainly based; 2,627 county correspondents, with 7,881 aids and 36,126 township correspondents reporting each for his own immediate neighborhood. From this large body of persons—selected with great care, not only as to their geographic distribution, but also as to their qualifications for the performance of the duties required of them—reports have been received monthly, and at the close of the calendar year a select body of farmers, numbering about 90,000, reported upon the crops of their own individual farms. The Department is indebted to numerous transportation companies for monthly returns of cotton carried over their respective lines, information which has been of the greatest value in the making up of its final returns on the production of cotton.

No important change in the crop-reporting system will be recommended until the approaching federal census shall have furnished the Department with a new and definite statistical basis as to the distribution of crop areas. The Department's system is based, in the main, upon a periodic comparison of the acreage devoted to particular crops with that so used in the preceding year, and it is consequently not only impossible to make any increase, during the closing years of an intercensal period, in the number of products reported upon, but it is difficult, even as regards those which are reported upon, to keep exact step with a fluctuating acreage and a constantly varying production when the cumulative effect of even a small annual error in a report based on percentages may reach large proportions.

A PUBLICATION FOR CROP CORRESPONDENTS.

Much of the improvement so gratifyingly in evidence in the reports of correspondents is doubtless attributable to the issue of a new monthly publication known as "The Crop Reporter," designed for

the exclusive use of the Department's crop correspondents. The necessity of compressing into very small space the instructions printed upon the monthly reports, the marked localization of the area of production in the case of not a few of the crops reported upon, and the general lack of uniformity in the agricultural methods and conditions obtaining in the different sections of the country have alike suggested the employment of some agency by which correspondents could be more fully instructed as to their duties and the instructions given them be better adapted to their various needs.

Such an agency has been found in the new publication, which has been received with many expressions of satisfaction by correspondents in every part of the country. By anticipating their needs, interesting them in their work, making intelligible to them the relation which, as individual correspondents, they bear to one of the most important branches of the work of the Department, and putting into their possession, without trespassing upon the province of the agricultural journals, a great variety of information calculated to make them better judges of agricultural conditions, and consequently more valuable correspondents to the Department, "The Crop Reporter" has been the means of greatly improving the crop-reporting service, while incidentally reducing the enormous correspondence of the Division by nearly one-half.

SEED DISTRIBUTION.

COST OF DISTRIBUTION AND FAVORABLE REPORTS RECEIVED.

An appropriation of $130,000 was made by Congress for the purchase and distribution of valuable seeds, etc., during the year 1899. Of this sum, there was expended for the purchase of seeds for distribution through Members of Congress $70,978.36. For rare and valuable foreign seeds distributed by the Section of Seed and Plant Introduction, under the Division of Botany, $20,300.92 was expended; for the purchase of sugar-beet seed distributed to experiment stations and individuals, $2,366; for seeds and bulbs distributed to Members of Congress through the Division of Gardens and Grounds, $3,400, and for seeds distributed for special investigation by individuals in the several States, $3,000. There was paid for salaries of employees connected with the seed distribution $25,912.98, and for miscellaneous supplies in connection with the work, $221.85. There are some outstanding vouchers for freights, etc., not yet adjusted.

The contractor was required to provide a building within the City of Washington in which to pack the seeds, and samples were tested by the Division of Botany for purity and germination. The high quality of the seed now being sent out by the Department is scarcely equaled by any of the distributing agencies of the United States. Of 979 letters received regarding the seed distributed, 972 report favorably upon the quality.

AIM OF THE DEPARTMENT IN THE DISTRIBUTION OF SEED.

The original intention of Congress in providing for the distribution of seed undoubtedly was to do for the producers a class of work they could not do for themselves—to search the various localities of the Old World for seeds and plants, and distribute them in the United States to the several regions where they would be most likely to succeed. The Department at present is endeavoring to bring back the practice, as much as possible, to the original intention of Congress. Quite a large percentage of the $130,000 appropriated is now spent in finding, purchasing, importing, and distributing rare seeds and plants.

The Department is in receipt of letters from seedsmen throughout the country urging the discontinuance of this work, and there is an uneducated sentiment here and there cooperating with the seedsmen along this line, which prompts ill-informed individuals to concur with these representations. I am well satisfied that the introduction and distribution during the last two years of seeds and plants rare or not found at all in the United States has been worth more money to the people of the country than all the expenditures of Congress for seed distribution to date. To the extent to which the distribution by the Department competes with the sales of seedsmen and others distributing precisely the same kinds of seed, with no experimental feature and no intelligent direction regarding the use of the seeds beyond that which is provided by dealers, the practice is questionable. But the furnishing to the people of the United States of sugar-beet seed of the most approved quality, for experimentation, to ascertain where beets can be grown sweet enough to produce our own sugar, is justifiable; the introduction of drought and rust-resisting grains from foreign countries, which are urgently needed by people in the United States who are losing heavily from drought and rust, is justifiable; the rehabilitation of the Western ranges that have been destroyed and in many cases reduced to desert conditions by injudicious grazing, is justifiable; the encouragement of tea growing in the States along the Gulf of Mexico, where labor is as plenty and as idle as anywhere in the world, is justifiable; the inquiry into the several plants that produce rubber, the gathering of the seed of these plants, their germination and preparation for setting out in such localities in the new island possessions of the United States Government as may be best suited for producing the $30,000,000 worth of rubber now purchased from foreign countries, is justifiable; the introduction of the date palm from Tripoli in Arizona, establishing a new industry in that region which may extend to other localities in the same latitude, is justifiable. The introduction of these and many other seeds and plants, entirely beyond the ability of private individuals to compass, in order that such seeds and plants may eventually enter the commercial class and be handled by seedsmen, is the aim of the Department of Agriculture in seed distribution at the present time.

SUGAR BEETS.

During the last three years extensive experimentation has been had in cooperation with most of the States of the Union to ascertain where sugar beets can be produced sufficiently sweet to justify extensive growing and manufacturing. It has been fairly well demonstrated that many States have soil and climate, fuel, water, and limestone admirably adapted for this industry. Thirty-two factories are now in operation and many more in contemplation. There is every indication that the United States will produce its own sugar within a few years. The rich valleys of the mountain and Pacific coast States find sugar making very profitable. It is being demonstrated that the rich cornfields of the Northern States are also admirably adapted to the growth of the sugar beet. This industry will eventually be more profitable where the by-product is fed to the dairy cow and other domestic animals. The Department publishes annually a report setting forth all the facts in relation to this industry and the latest developments of interest to producers.

THE MARKET FOR AMERICAN HORSES.

Within the last two years horses have greatly appreciated in value and exports have rapidly increased. The Department issues annually a revised report, giving horse raisers facts regarding exports, as well as the requirements and demands of foreign countries for horses for different purposes.

DOMESTIC TEA PRODUCTION.

EXPERIMENTS AT SUMMERVILLE, S. C.

An interesting experiment is being conducted at Summerville, S. C., in the production of tea. Three thousand six hundred pounds of dry tea were produced during the past season. Dr. Shepard, a gentleman of education and enterprise, who owns the garden, has overcome the difficulties arising along labor lines by building a schoolhouse for the education of the children of his colored neighbors, where they are taught free of expense, with the understanding that they shall pick his tea when required, at a reasonable rate of wages. This class of labor in the South is very plenty and very idle. The elementary education and habits of industry acquired must have a good effect from every standpoint from which the best interests of these people can be considered. If a new industry of this kind can be introduced into the Gulf States, which will save the people of the United States the many millions of dollars now sent abroad for the purchase of this commodity, and at the same time provide light work for the young people who are now entirely idle, there is a double incentive to make research to the utmost regarding the production of a commodity in such universal use.

INVESTIGATIONS TO BE CONDUCTED.

Congress at its last session appropriated $1,000 to enable the Department to conduct experimentation in tea growing. While the average rainfall at Summerville ranges between 50 and 60 inches, there are times when the rain does not fall for considerable periods. Experimentation is now being arranged for to ascertain whether by irrigation a more continuous growth can be maintained and more frequent picking of the leaves be had. Arrangements are also being made to experiment in the manufacture of green tea without the use of chemicals. The Department of Agriculture has a sufficient number of plants growing in pots to start experimental tea gardens in all the Gulf States from Florida to Texas, and including California. Efforts are being made to induce the experiment stations in those States to cooperate with the Department in conducting these experiments.

Experiments in South Carolina have shown that the production of 200 pounds of dry tea per acre is readily obtainable under favorable conditions, with a probability of double or perhaps treble that amount when the plants have arrived at full bearing. It is desirable to ascertain the limit of productiveness under all the varying conditions of surface, soil, and seed varieties. It is gratifying to note that the yield per acre has steadily advanced, in spite of all hindrances, from 50 to 150 pounds per annum per acre for the whole of the older tea gardens at Summerville within the past few years. The best varieties from all the countries of the Orient are being experimented with, and efforts will be made to add promising new varieties, both by importation and by hybridization. Experimentation of this nature is beyond the capacity of men of moderate means, and I am of opinion that it is entirely justifiable that Congress, through the Department of Agriculture, should assist in demonstrating the probability of raising tea in the United States, for home consumption at least.

It will be necessary as the work progresses to employ professional tea tasters of wide experience to indicate the value of the several varieties being experimented with. A higher valuation per pound may offset a lesser production. Experimentation in shading from the direct rays of the sun is very encouraging. The leaf thus produced was tender, very lustrous, and made a very delicate tea. The means of manufacturing must of necessity be increased, and the testing of new machinery as regards cheapness of work and thoroughness of execution provided for. It is desirable to study carefully the composition of tea made from the same bushes at different times during the picking season, to analyze the product in this country of gardens raised on soil from widely separated sources, and to test the effect on tea of different sorts of manure. This is a large and expensive kind of experimentation, requiring special chemical apparatus and unusual nicety and skill.

LEASING THE PUBLIC LANDS.

CONDITION OF THE RANGES.

I have looked carefully into the condition of the ranges in most of the States west of the Missouri River. The Department of Agriculture has been conducting experiments in most of these States with native and imported grasses through the experiment stations, private individuals, and sometimes directly under the management of its own officers. Injudicious grazing has greatly impaired the capacity of the ranges to produce meats. Careful inquiry shows that in many cases the ranges do not support more than half the meat-bearing animals they did ten years ago. The ranges have been overstocked, the grasses have been eaten bare and pulled out by the roots, and where formerly nutritious grass supported a large number of animals, there is now left nothing but a desert of drifting sand.

The principal reason for this condition of the ranges undoubtedly is that no single individual has an interest in any one part of the public domain. The object of the flock master is to secure all the grass possible, irrespective of the effect it may have on the future condition of the pasture. Thousands of sheep that can not find grazing on the plains are being taken into the innermost recesses of the mountain systems.

LEASING AS A MEANS OF IMPROVEMENT.

It would seem wise to inaugurate a more sensible policy regarding these public grazing lands. They should be rented to individuals in sufficiently large areas and for a sufficiently long time to induce the lessee to give attention to their improvement. The title should remain in the United States, so that the homesteader might have an opportunity, under such conditions as would not interfere with the renting, to make settlement wherever practicable. The rents arising from these leases might very well be given to the States for such uses as they might deem wise, either for educational purposes or for irrigation work. A very considerable amount of money would come every year from these leases, with which the States could begin experimentation in the way of building dams and holding the water against a time of need. My main object in making this recommendation is that the lessee and the Department of Agriculture may enter into cooperative experimentation looking to the improvement of the grazing lands.

EFFORTS TO SECURE PLANTS FOR SEMIARID REGIONS.

There are millions of acres that can not be cultivated in any crops with which we are now familiar. The Department of Agriculture is searching the dry areas of the world for plants that may be successful in furnishing the materials of food to a greater extent than is now

practicable on our semiarid regions. The introduction of sorghum, Kafir corn, dry land alfalfa, the Russian brome grasses, etc., is enabling the farmers of the States west of the Missouri to extend cultivation over lands that did not succeed in corn, or oats, or clover.

ABANDONED FARMS.

My attention has been called to what is known as the abandoned farms of New England. A personal inspection of some of these farms shows that they are not abandoned on account of sterility of soil, but are in many cases capable of affording a good living to industrious farmers, and under more favorable auspices than are farms in some of our newer States, on account of nearness to market, educational institutions, and other desirable environments. The Agrostologist of the Department has visited several of these farms to ascertain in what way help can be given by the introduction of grasses suitable to their various conditions, and the Soil Physicist will study conditions on these farms and indicate which soils may be profitably cultivated and which should be devoted to forestry. The Forester will also visit these localities and determine what varieties of trees are most desirable. The Department will endeavor to have Farmers' Bulletins prepared along these several lines for distribution among the farmers of New England.

TROPICAL IMPORTS.

Our imports of tropical-plant products have a value of about $200,000,000 a year. Nearly all of these could be produced in Puerto Rico, Hawaii, and the Philippines if the best use were made of the agricultural possibilities of these islands, and of American industry, ingenuity, and financial resources. Our tropical-plant imports are four times as great as the total exports of Hawaii, Puerto Rico, and the Philippines. For coffee and sugar we pay an amount exceeding by more than $80,000,000 the agricultural and all other exports of these islands. Omitting sugar and tobacco, our tropical-plant imports still greatly exceed the total agricultural exports of these tropical dependencies. Our imports of oranges, lemons, and cocoanuts have about the same value as the sugar and tobacco exports of Puerto Rico, and could readily be produced on that island.

There are several staple agricultural imports of the United States other than oranges, lemons, and cocoanuts to which attention should especially be called as worthy of consideration for introduction into Puerto Rico, such as vanilla, our imports of which vary in value from $279,755 to $1,013,608 per year; gutta-percha and india rubber, about $30,000,000, and cacao, $5,000,000. The improvement and extension of coffee culture in Puerto Rico is well worth careful investigation and encouragement, since our total coffee imports in 1898 amounted to

$65,067,631. There is every reason to believe that a portion of our banana imports, which during the year 1899 reached a value of $5,665,588, may to good advantage be grown in Puerto Rico.

INDIA RUBBER.

IMPORTANCE OF THE TRADE.

The india-rubber trade is of great importance to the United States and has shown a rapid increase during the last few years. For the fiscal year ended June 30, 1890, the total importations of crude rubber amounted to 33,842,374 pounds, valued at $14,854,512, while that of manufactured rubber was valued at $367,647. In the fiscal year 1898 the imports of crude rubber and gutta-percha amounted to 46,055,497 pounds, valued at $25,386,010, while that of manufactured articles and waste or scrap rubber was 9,488,327 pounds, worth $805,951. This shows not only a decided increase in the quantity imported, but also a rapid rise in price. In 1890 about two-thirds of the entire amount imported came from Brazil. In 1898 about three-fifths came from that country.

A recent United States consular report shows that the importations into England for 1898 amounted to 20,026 tons, about half of this being Brazilian. New fine Para rubber was quoted at New York from 66 to 69 cents per pound in 1893, 69 to 71 cents per pound in 1894, 73 to 77 cents in 1895, 74 to 88 cents in 1896, 80 to 87 cents in 1897, and 82 to 83 cents January 1, 1898. A single cargo of rubber, consisting of 1,167 tons, shipped from Para February 23, 1898, was valued at $2,210,000 in United States gold. The exports of rubber from Brazil in 1898 amounted to $38,400,000 gold.

COLLECTION AND TREATMENT AND SOURCES OF SUPPLY.

Rubber is derived from the milky sap of a number of trees and shrubs, all native to the tropical regions of South America and the Old World. There are many plants with milky sap which contain small quantities of rubber, but none are known which produce it in commercial quantities anywhere outside of the Tropics. The methods of collection and treatment of rubber are, in the main, very crude. There is a great deal of waste and considerable deterioration through improper methods of treatment in the field and in transit, and through impurities. The only successful experiments at cultivating rubber plants which have thus far been made were undertaken by the English Government in Ceylon, India, and some of the other tropical colonies. By following the most improved methods of cultivation and by giving the rubber plantations the same careful attention which is devoted to other crops, it appears possible to make this an exceedingly profitable investment.

The larger part of the Brazilian rubber is produced by the Para rubber tree, *Hevea brasiliensis*, which grows naturally in the deep shade of the swampy forests of the Amazon, where the air is fever-laden and the land is unsuited for human habitation. Experiments have been made with this tree in various of the British possessions in the East Indies, but without any marked degree of success, because the tree attains its full development only in the shade of dense tropical jungle lands and not in the solid plantations. Its successful handling appears to lie in the direction of a proper system of forest management. The Central American rubber tree, *Castilloa elastica*, grows only in the dense tropical forests from southern Mexico to northern South America, on rich, well-drained bottom lands along the rivers. This tree has been found to grow luxuriantly under cultivation, but in the experiments thus far tried it develops a bark much thicker than in its native state, and this has been found a decided drawback to the successful drawing of the sap.

The Ceara rubber tree, *Manihot glaziovii*, is a native of one of the driest portions of southern Brazil, where the mean temperature ranges from 77° to 86° F. There are now many plantations of it in India and Ceylon, and it is probable that this tree will be the first to produce an important addition to the natural supply of india rubber. There are fifty or more species of trees, vines, and shrubs which are a commercial source of india rubber and gutta-percha, and the list is annually increasing. Experiments should be tried in the cultivation of every one of them. Gutta-percha is derived almost entirely from the tree *Isonandra gutta*, a native of the islands of the Malayan Archipelago. The careless methods of the collectors have resulted in killing off most of the plants from which this substance is derived, so that a serious shortage has occurred during the last few years. The feasibility of cultivating this plant in the Philippines should be very carefully investigated.

TURKESTAN ALFALFA.

The unusually severe winter of 1898–99 killed off probably half of the alfalfa of western Kansas, Nebraska, Colorado, and Wyoming, and many fields in the central prairie States to the eastward were badly damaged, but the Turkestan alfalfa grown in the States mentioned was not affected. At the Wyoming experiment station a plat of Turkestan alfalfa was exposed for two weeks without injury to a daily temperature of —35° F., the lowest point reached being —45°. In California it was subjected without damage to a drought which seriously injured ordinary alfalfa. In view of the notable success of this plant in withstanding drought and cold, it has been decided to purchase a large amount of seed grown in America from our imported stock and to distribute it widely over the arid West until it has been thoroughly tested under all the different climatic and soil

conditions existing in that region. From the results already secured, it is believed that this one introduction will add millions of dollars to the annual hay product of the United States.

INTRODUCTION OF IMPROVED RICE.

About fifteen years ago the enterprising farmers of southwestern Louisiana began to adapt modern machinery to use in their rice fields, and within a decade they had replaced the antique implements of the hand laborer by the gang plow, disk harrow, drill, and broadcast seeder; they had insured sufficient water by the construction of irrigation canals; and, finally, they had adapted the twine binder of Northern wheat fields to the cutting of rice. So far as methods were concerned, they had created a new system of rice culture which greatly reduced the cost of rice production. It was discovered, however, that sufficient attention had not been paid to the question of varieties. The Louisiana rice, when milled, gave a high percentage of broken grains, and much of it brought, therefore, only a second-class price.

To remedy this difficulty the Department of Agriculture undertook to secure a productive rice of high milling quality. This it has succeeded in doing by importing, after a careful search in Japan, a quantity of Kiushu rice. In yield this rice has proved a distinct success, and if, as is expected, it maintains in Louisiana the high milling average that it possessed in Japan, hundreds of thousands of dollars will be added to the yearly profits of Louisiana rice growers.

In this connection, it may be said that flattering reports have been received about many of the other introductions of the Department, and from time to time, when these reports are amply substantiated, due commendation of these crops will be made to the agricultural public.

NATIVE DRUGS.

The collection of native drug plants in the United States, considered from a purely financial standpoint, aside from medical and humanitarian aspects, involves the expenditure of millions of dollars annually. The commercial extermination of some of the most useful species is already threatened, and doubtless others would be found in the same condition were the facts known. The price of one native plant, ginseng, our exports of which average more than half a million dollars annually, has more than quadrupled in the past thirty years, so that its cultivation, as urged four years ago by this Department, has now become profitable. It is clear from this and many similar cases that the native drug industry is capable of either decline or improvement, according to the way in which we handle it.

The Pan-American Medical Congress has recently submitted to me a proposition to cooperate with this Department in a technical and statistical investigation and classification of our native drug plants.

By accepting this proposal we shall secure, in a research of which we have long felt the need, the cordial assistance and support of an influential association of learned physicians; we shall encourage each of the other American nations, all of which are represented in the Pan-American Medical Congress, to proceed with a similar investigation of their own medical flora; we shall furnish a basis for the remunerative employment of much land and many people, and we shall stimulate the great and growing trade in drugs between the countries of North America and South America. I urge the appropriation of $10,000 to enable this Department to cooperate in this investigation.

HEMP.

Our imports of hemp fiber for the past five years have averaged in value $678,475 annually, coming chiefly from Italy and southern Russia. This hemp is worth about 7 cents per pound and is used principally in the manufacture of carpet warps. In addition, we import an unknown but doubtless large amount of manufactured hemp in the form of the cheaper grades of linen. The domestic product of hemp reported by the last census, at a valuation of 3 cents per pound, was worth $690,660 and was grown chiefly in Kentucky. This hemp is used principally in place of jute butts for cordage purposes. The Kentucky hemp producers grow a short plant in small areas with shallow plowing and little or no fertilizing. The crop is reaped and broken by hand, and the fiber is extracted by the process of dew retting. In addition to these heavy charges, an annual rental, averaging probably $10 per acre, is ordinarily paid for the land. There is a reasonable prospect of establishing an extensive hemp industry in the United States on new lines, involving the use of either a taller variety or two crops of the short variety, growing the crop on large areas of cheap land, plowing deep, putting on the necessary fertilizers, reaping and breaking by machinery, and using the process of water retting.

EGYPTIAN COTTON.

The importation of cotton from Egypt steadily increased from less than 200,000 pounds in 1884 to more than 13,000,000 pounds in 1896. Since the latter date, the direct importations from Egypt have fallen off slightly, but the prices have had an upward tendency, and the demand for this staple remains good at from 4 to 6 cents higher than the price of ordinary American upland cotton. Our annual import of cotton from Egypt for the past three years has averaged in value $3,738,338. The Egyptian cotton has a very fine silky fiber, generally shorter than that of sea island but longer than that of upland varieties. It is used in the manufacture of fine yarns for the finer qualities of hosiery and knit goods. It does not come into direct competition with our upland cotton, the fiber of which is too coarse for the finer yarns. Some attempts have been made to grow Egyptian cotton

in this country, and in 1894 the Department imported and distributed a stock of Egyptian seeds. The experiments with these have shown promising results, but there is need of further trial to determine the exact conditions under which this cotton can be grown to best advantage. There is good ground for hope that with proper management the industry may become well established in the United States.

NEW LABORATORY BUILDINGS.

The Department of Agriculture is now conducting all of its laboratory work in rented buildings located outside of the Department grounds. These buildings are for the most part mere makeshifts, consisting of dwelling houses remodeled to permit laboratory work. Some of them are overcrowded and none are fireproof. There are five of these buildings which, with rent and other expenses, cost the Department about $10,000 a year. The work carried on by the laboratories is of the highest importance, including the investigations of the Bureau of Animal Industry, the Division of Chemistry, the Division of Vegetable Physiology and Pathology, the Division of Soils, and the Division of Botany. Much of the material now in use by these branches of the Department, as well as that being constantly accumulated by them, is of great value, and it would be impossible to replace it in case of loss by fire. It is absolutely necessary that better facilities be secured for this scientific work, either by the rent of additional buildings or by the erection of a Government building.

As best adapted to our necessities, plans have been prepared for suitable buildings to be erected upon the Department grounds. The plans show structures which are fireproof throughout, and which are arranged so that the several lines of work can be kept as distinct as may be required by their nature, and at the same time the buildings be heated, lighted, and ventilated from one central plant. The several laboratories are now occupying, approximately, 35,000 square feet of floor space, and the new buildings provide about 10 per cent increase over this to allow for future growth. Careful estimates show that the buildings as planned will cost, approximately, $200,000. I therefore earnestly recommend that this amount be appropriated, as it will not only be a saving of money to the Government, but will at the same time furnish facilities commensurate with the importance of the work.

A PROPOSED ARBORETUM.

One of the needs of the Department is an arboretum in which can be brought together for study all the trees that will grow in the climate of Washington, D.C. The need of such an establishment was felt early in the history of the Capital, and was brought forward more than fifty years ago among the various plans proposed for the use of the Smithson bequest, which was finally devoted to the founding of the

present Smithsonian Institution. In the report of the building committee of that institution for 1850 the following statement occurs:

> Mr. Downing, the well-known writer on rural architecture, at the request of the President, is now preparing a plan for converting the whole Mall, including the Smithsonian grounds, into an extended landscape garden, to be traversed in different directions by graveled walks and carriage drives and planted with specimens, properly labeled, of all the varieties of trees and shrubs which will flourish in this climate.

This admirable plan, apparently from lack of financial support from Congress, was never systematically prosecuted, and the plantings at first made were so neglected that the nurse trees crowded out and killed most of the valuable sorts, and even the nurse trees themselves are now being rapidly broken down and destroyed by storms, disease, and decay. When the grounds of the Department of Agriculture were laid out in 1868, Mr. William Saunders, then, as now, Horticulturist of the Department, established a small arboretum commensurate with the size of the grounds. An arboretum in this climate, however, requires an area of several hundred acres. The time has come when the economic needs of the Department and the education and pleasure of the people demand a rich collection of trees planted so as to secure the best effects of landscape art, furnishing complete material for the investigations of the Department of Agriculture, and so managed as to be a perennial means of botanical education. We are now engaged in introducing useful trees from all parts of the world, such as those producing fruits, dyes, nuts, oils, and tans, those useful for ornamental purposes, and especially those promising shade, shelter, and fuel in the arid region. At the present time we have no central place in which to plant and maintain a series of these trees for study and propagation. The importations must be sent out as fast as they are received, without an opportunity for our investigators to make any observations on their behavior under cultivation, and, in the case of small and valuable importations, subjecting the whole stock to the possibility of total loss. In view of these conditions, I wish to bring to the attention of Congress the importance of placing at the disposal of this Department an area of suitable size and situation for a comprehensive arboretum. In order to give a specific basis for consideration of this project, I suggest that the area known as the Mall be set aside for this purpose.

AGRICULTURAL EDUCATION.

NECESSITY OF AGRICULTURAL TEACHING IN INSTITUTIONS OF LEARNING.

The great prosperity of the country at the present time has resulted, among other things, in a largely increased attendance upon our universities, colleges, and other institutions of learning. When we consider that half the people of the United States are occupied in pro-

ducing from the soil directly; that about three-fourths of our exports to foreign countries come from the soil, and that the $600,000,000 balance of trade coming to the United States during each of the last two fiscal years have been, to a great extent, the price of farm products, it is somewhat remarkable that so very little attention is given to the education of half the people of the nation and their preparation for their future life work.

The beautiful valleys of the mountain and Pacific-coast States are being injured to a considerable extent by the injudicious use of irrigating waters. The pasture lands of the public domain west of the Missouri River are being rapidly destroyed by injudicious grazing. The wheat-growing area of the country, where crops are grown continuously, are refusing to yield as they did when first brought under cultivation; and from the Dakotas to the Pacific we find systems of fallowing in operation and crops of wheat being taken once in two years, indicating the rapid destruction of the plant food in the soil.

SCIENTIFIC TRAINING IN THE DEPARTMENT.

The people cry aloud to this Department for help. We have gone repeatedly but in vain to the Civil Service Commission and had them advertise throughout the country for soil physicists in order that we might cooperate with the people regarding the deterioration of their soils. All the older sections of the United States have injured their soils by injudicious management. A knowledge of plants—their life history, the diseases to which they are subject, their relations to the soil, the climate, and food necessary to their best development—is so scarce among us that plant physiologists and pathologists can not be found by advertising for them.

Animal husbandry is very little understood, and in most of the educational institutions of the country sufficient instruction is not being given to have it better understood, yet from this source we make our most profitable sales to foreign countries. The Biological Survey and other Divisions have also to train the men to do their work. When the Department requires the assistance of men educated along these lines it is necessary to educate them in its own scientific Divisions, under the direction of its own scientists. When it has trained such men until they become expert and stand at the head of their specialties in the United States (and in many cases in the world), then wealthy institutions take them away by offering higher salaries, interfering with the work of the Department, along the lines mentioned, which is so necessary to the producers of the United States.

REGISTER OF GRADUATES OF LAND-GRANT COLLEGES.

To meet some of these difficulties and avoid in future their frequent recurrence, I have arranged with the Civil Service Commission to make a register of the graduates of the land-grant colleges of the

United States (those endowed by Congress to educate the young farmers of the country). From this registration the scientific Divisions of the Department select young men who will assist the Division scientists in their work, and have opportunities for post-graduate study and for better preparing themselves along the lines of applied science, whereby the producer is helped by the scholar. We pay these young men no more than we pay a laborer, and much of the work they will perform in the Divisions could be performed by skilled laborers.

Slight inquiry into education along the lines of agricultural science will show that there is no university in the land where the graduate of an agricultural college who has been studying along the lines indicated can take post-graduate work. The scientific Divisions of the Department of Agriculture come nearer furnishing the necessary facilities than can be found elsewhere. If two or three young men come to each of our scientific Divisions and study along the lines of the application of science to production in the field, the stable, and the farm factory, the Department will in a few years have a force from which it can not only fill vacancies when wealthy institutions take away trained men, but be able to supply the agricultural colleges, experiment stations, and other scientific institutions in the land with men of superior scientific attainments in these branches.

EFFORTS OF THE DEPARTMENT TO MEET THE DEMANDS FOR HELP.

By this new departure the Department is merely arranging to meet the imperative demands of the producers of the country for help to solve the problems that are beyond their education and their means. The Congress of the United States, in providing for the endowment of agricultural colleges and experiment stations, did more for the agriculture of the country than has been done by governmental agency for the people of any other nation. Congress could not endow these institutions with teachers trained in the applied sciences relating to the farm, but Congress has built up the Department of Agriculture and encouraged the development of the foremost scientists known in their several specialties. The step we have taken toward bringing the brightest students of the agricultural colleges to prosecute their studies under the supervision of scientists in this Department is one step necessary to complete the educational system.

Something no doubt remains to be done at the other end of the educational line. The education of the young farmer in the district and high schools should be such as to help him toward the agricultural college. The other educational institutions of the country have done their work well, but so abundantly that the college graduate upon leaving college is not sure of employment that will give the salary of a brakeman on the railroad. Only a very few of those who upon leaving college must earn their livelihood through their literary

education are sure of incomes equal to that of a locomotive engineer. The great unexplored field for the educator is along agricultural lines. Half the people of the United States are interested in it. The prosperity of our country as a nation among nations depends upon it.

I hope to have the approval of Congress in this effort to provide for the higher education of the graduates of the agricultural colleges by appropriations sufficiently considerate to justify the very moderate expense that will be entailed.

AGRICULTURAL TEACHING IN THE COMMON SCHOOLS.

In my last Annual Report, I referred to the growing interest in elementary instruction in the sciences that relate to agriculture, and mentioned the special appropriation of $25,000 made by the State of New York to be used in aiding the introduction of nature teaching into the common schools and the carrying on of simple agricultural experiments in different parts of the State under the supervision of the college of agriculture of Cornell University. Encouraging progress has been made during the year in this movement. The work at Cornell has been materially extended, and colleges in other States are affording opportunities for teachers in the common schools to receive such special instruction as will fit them to give elementary courses in nature study. In Missouri a recently enacted law calls for instruction in agriculture and horticulture in the common schools, and during the past summer a considerable number of Missouri school superintendents and teachers spent some time in attending lectures and formulating elementary courses of instruction in these studies.

CONCLUSION.

The Department, through its Bureaus, Divisions, and Offices, is getting into more immediate contact with all classes of producers throughout the country. More extensive cooperation is being entered into between the Department and the experiment stations of the several States. Especial attention is being given to the reclamation of soils that have been reduced in fertility by injudicious management. Production from the soil in all parts of the United States is being diversified by importations from foreign countries. The scientist and the cultivator are working together for greater national prosperity through more economic production. The farmers of the country are having their knowledge increased through the publications of the Department and the experiment stations, and the future tillers of the soil are being better educated in the agricultural colleges as teachers are developed who more thoroughly understand the application of science to practical agriculture. The field of operations for the future activity of the farmer is from the Arctic Circle to the

Equator. New problems, requiring scientific investigation and entirely beyond the ability of localities or private individuals to solve, are presented from both extremes. The especial attention of the Department in the future will be given to the production, under United States jurisdiction, of products of the soil that now come from foreign countries, keeping steadily in view the object for which the Department was organized—the help of the producer who is struggling with nature.

Respectfully submitted.

JAMES WILSON,
Secretary.

WASHINGTON, D. C., *November 21, 1899.*

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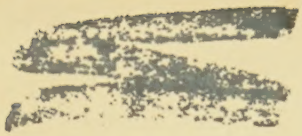

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